

## **How to attract tourists to Halkidiki?**

### **Destination research**

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Bachelor Thesis

TOBBA10

2013



Degree programme in Tourism

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<p><b>Title of report</b> How to attract tourists to Halkidiki? Destination Research.</p>	<p><b>Number of pages and appendices</b> 62+11</p>
<p><b>Teacher</b> Yucel Ger</p>	
<p>The following report is a bachelor thesis of last year student of BA degree program in Tourism.</p> <p>This is a research-oriented report which investigates Halkidiki tourism destination in Greece. The goal of the thesis is to come up with suggestions for improvement of the destination and with strategic objectives, in order to be able to attract more national and international tourists.</p> <p>Thesis consist of quantitative and qualitative researches, which support thesis's research question.</p> <p>The report covers following major parts:</p> <ul style="list-style-type: none"> <li>– Introduction</li> <li>– Theoretical research on tourism destination, destination management organizations and management of the destinations</li> <li>– Situational assessment</li> <li>– External and internal analysis</li> <li>– SWOT</li> <li>– Suggestions for improvement</li> <li>– Strategic objectives</li> <li>– Conclusion</li> <li>– Bibliography</li> </ul>	
<p><b>Keywords</b> Crisis, destination, development, Greece, Halkidiki, management, tourism, research</p>	

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# 1 Introduction

The commissioner of this project is Mr. Kimon Riefenstahl, the owner and the managing director of Danai Beach Resort & Villas, the member of the Leading Hotels of the World (LHW 2012) situated in the Halkidiki area. Mr. Riefenstahl notes that in the last three years the amount of tourists of this destination has decreased as well as popularity of Greece in general, the reasons why this situation has appeared will be found in this report. The commissioner is interested to know how to make the destination attractive and at the same time not to turn it into a massive tourism destination.

At the end of the day, Greece depends on tourism for somewhere between 15% and 20% of its overall GDP (Karabell 2011) so the tourists can actually “save” the Greek economy.

Mr. Riefenstahl and the author of this report have decided that they will not make the “rescue” plan for the whole country; instead they will make a research of the destination and develop new strategy only for Halkidiki.

The purpose of this study is to come up with suggestions about how to develop the destination and satisfy the customers’ needs.

First of all the research will investigate who are the tourists now, then with the support of a questionnaire it will be seen what the tourists expecting from the destination, what do they like and what should be improved from their point of view.

Secondly, the report will investigate the factors, which might influence the tourism destination, and examine its competitive environment.

An author will examine which organizations are responsible for developing and promoting the destination and what has been done so far in order to attract tourists.

Both external and internal environments will be analyzed. This is a research-oriented report.

## **2 Methodology**

### **2.1 Topic and object**

Not many tourists are aware of Halkidiki tourism destination, although it differs from the other parts of Greece and its islands; and the area is rich in natural resources and historical sights.

The focus of this report is creation of an awareness of Halkidiki, finding out how to make travellers know about this destination and satisfy their expectations.

The results of the research might also be useful for the local and national tourism organizations. Hopefully it will give new ideas about how to attract the tourists to Greece and improve the Greek economy.

### **2.2 Research Approach**

Considering the nature of the project it was decided to conduct both qualitative and quantitative researches. For the qualitative part interview with Mrs Sofia a member of Halkidiki hotel association, was created and analysed. It was decided to interview her because an author was curious to investigate what are the actions of local destination management organization towards improving and promotion of Halkidiki destination. It should be noted that due to the fact that an author was not in Greece when writing this report, the questions were sent to both interviewees by e-mail. Mrs Sofia has answered the questions online.

For quantitative part online questionnaire was created with the support of Webropol website and distributed through the social media websites. The quantitative research will investigate what do the tourists think of the region and what in their point of view should be improved.

At the end both interview and the questionnaire will be combined and analysed.

### **2.3 Data collection process and analysing**

This is a research-oriented report. The background data will be used in order to understand what the tourism destination is and why it should be managed. Various sources were used while writing the thesis- books, newspapers' and magazines' articles, and Internet websites. During the period of writing, the consultations with the supervisor and commissioner were conducted.

Information will also be gathered through the questionnaire and interviews.

All collected data will be combined with theoretical framework, in order to answer a research question.

### **2.4 Budget**

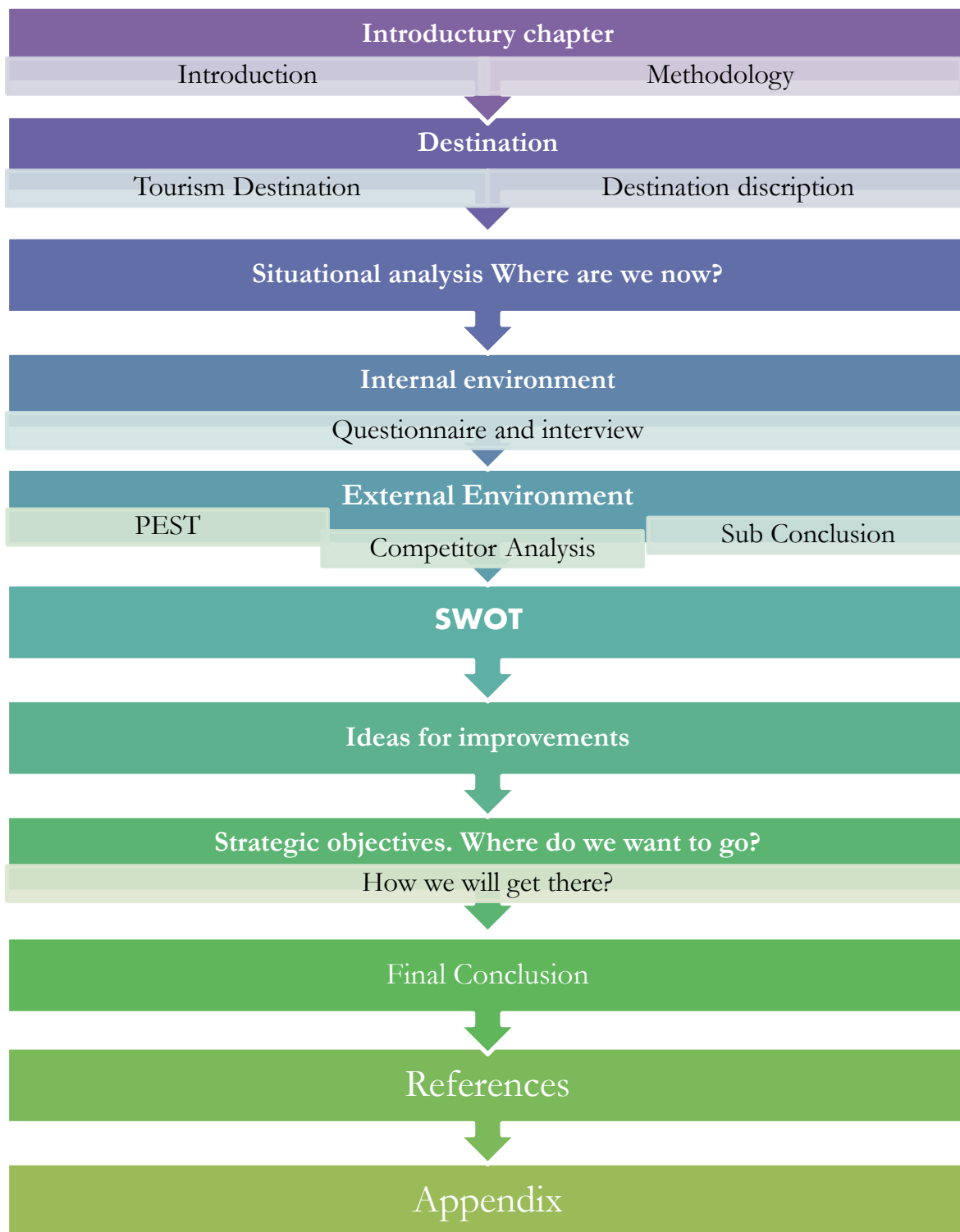
This report is not supported by any budget; interviews, questionnaire and research will be conducted online. Books will be taken from the university library.

### **2.5 Risks**

The main risk of this report is lack of knowledge. An author had never before made a destination research. Also local authorities of Halkidiki do not provide with enough information about the area, structure, statistics, activities and tourists. Lots of articles were written only in Greek language and had no translation into English.

Questionnaire was conducted via Internet and therefore it might not be reliable enough.

## 2.6 Report structure





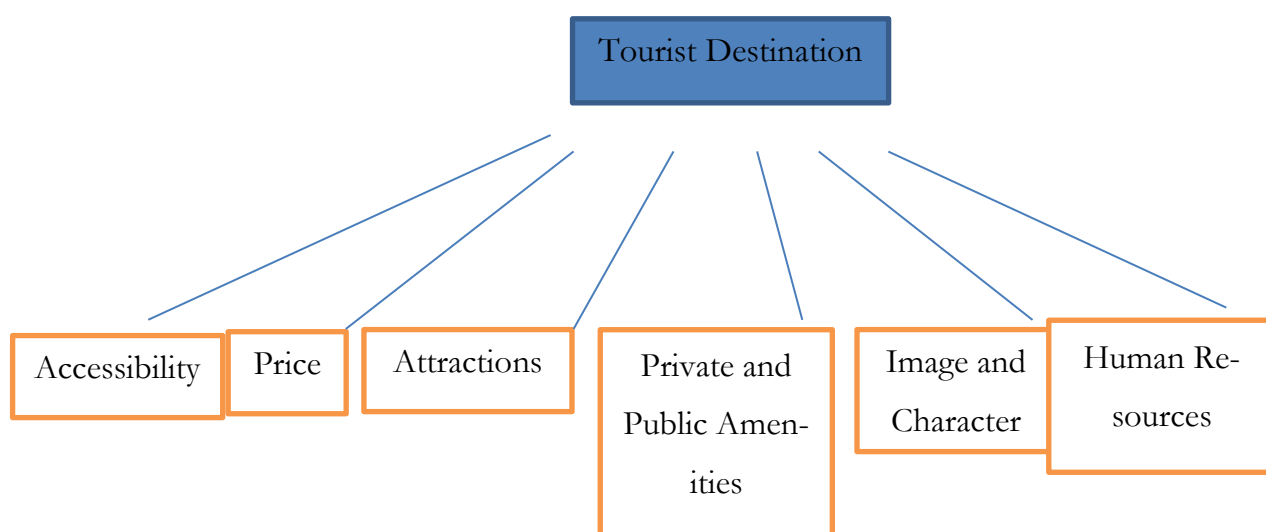
### 3 Tourism Destination

According to Hudson (2008, 390) destinations are the places that have some form of actual or perceived boundary, such as the physical boundary of an island, political boundaries, or even market-created boundaries. Kotler, Bowen and Makens (2003) distinguish between macro-destinations such as Greece for example, and micro-destinations such as Athens. Also there are many different types of destinations: major international destinations, classic destinations, human-made resorts destinations, natural landscape, alternative destinations, business tourism destinations, stopover, short break, and day trip destinations. (Hudson 2008, 392)

World Tourism organization (2007, 13) explains that local tourism destination is a physical space in which a tourist spends at least one overnight. It includes tourism products such as support services, attractions and tourist resources within one day's return travel time.

#### 3.1 Elements of the Tourist Destination

Different kind of elements are part of the destination, they attract the visitors to the place. Those are “must see” attractions and “must do” things (Cho 2000). In the Figure below (Figure 3.1) the elements of the tourism destination are illustrated, those influence the visitor's decision when planning a trip.



**Figure 3.1.** Tourism destination elements

### **Accessibility**

The destination should be accessible to a large number of visitors via air passenger services, road, rail or cruise ships. It is also important that tourists are able to travel within the destination; visa requirements, specific entry conditions should be also considered as part of the accessibility of the destination (WTO 2007, 2).

### **Price**

Pricing is an important part of destination competitiveness with other destinations. Cost of transport to get to and from the destination, as well as costs on the ground: accommodation, transportation, attractions, food and tours services define the price of the destination (WTO 2007, 2).

### **Attractions**

Attractions are increasingly polarized between a few large attractions and thousands of small and micro-sized enterprises (Hudson 2008, 21).

Most of the time attractions are the main focus of the tourist when choosing the destination to visit. Attractions can be categorised as natural, such as mountains, beaches, weather; built, like religious buildings, heritage monuments, iconic buildings and sport facilities; or cultural - theatres, museums, cultural events (WTO 2007, 1).

### **Private and Public Amenities**

The wide range of services and facilities which support the visitors' stay and include basic infrastructure such as utilities, public transport and roads, as well as services for the visitors – accommodation, information centres, guides and shopping facilities are part of public and private amenities (WTO 2007, 1).

### **Image and Character**

A unique image is very important when attracting tourists to the destination. The image includes uniqueness, scenes, sights, environment quality, safety, service levels and

the friendliness of people. There are various ways to promote the destination's image, for example marketing and branding, and travel media (WTO 2007, 2).

### **Human resources**

A well-trained tourism workforce and citizens who are well equipped and aware of benefits and responsibilities associated with tourism growth are indispensable elements of tourism destination delivery and need to be managed in accordance with the destination strategy (WTO 2007, 2).

### **3.2 Destination Management Organizations**

The role of national tourists boards in proactively marketing and advertising destinations that they represent has changed substantially in the last few decades (Gauldie, 2000). Hudson (2008, 398) explains that destination-marketing (or management) organizations are government agencies, convention and visitors bureaus, travel associations and other bodies that market travel to their respective destination areas.

Destination management calls for a coalition of many organisations and interests working towards a common goal. The DMO's role should be to lead and coordinate activities under a coherent strategy (WTO 2007, 2).

There are several categories of Destination Management organizations:

- National Tourism Authorities (NTA), this organization is responsible for marketing and management on a national level
- Regional or state DMO, they are also responsible for marketing and management but of tourism in a certain region
- Local DMO however has the same responsibilities of smaller geographic area, city or town (WTO 2007, 3).

The roles of DMO are dictated by the mission, goals and objectives. Key themes include: coordination, strategy, stakeholders, economics, marketing, product development, lobbying, information provision, protection, research, and the host community (Pike 2008, 113).

### **3.3 Destination Management**

Destination should be well managed due to the fact that tourism industry is extremely competitive and to compete effectively destination has to deliver excellent value for the visitors, from the time when visitors arrive at the destination until they leave. This depends on several units working together. Visitors' value is affected by different services like public transport, private products and hospitality (WTO 2007, 9).

As described above, destination consists of several elements (accessibility, price, attractions, amenities, marketing and pricing); destination management is the co-ordinated management of all these elements (WTO 2007, 4).

The elements of the destination are supported by marketing to get people to visit in the first place and delivery of services on the ground to ensure a sustainable development, in which to develop tourism (WTO 2007, 4).

Destination management is the cooperation and co-ordination between stakeholders such as:

Government, transport providers, attractions, events and cultural providers, accommodation providers, restaurant operators, media, etc. (WTO 2007, 6)

### **3.4 Primary Activities of DMO**

Primary activities of most DMO's include packaging, delivery and promotion of the tourism experiences to the visitor (WTO 2007, 21).

#### **Product development**

There are two main parts which make a product: first of all attractions such as natural, cultural and manmade, those are the main reasons for travellers to want to visit the destination. The accommodation, transport and catering are developed to support the attractions (WTO 2007, 21).

#### **Destination and product packaging**

Packaging is the process of combining two or more related and complementary offerings into a single-price offering (Hudson, 2008, 164). Packages consist of primary attractions, products, experiences and services; the intangible tourism product should be attractively and accessibly packaged (WTO 2007, 21).

### **Promotion and Branding**

In an increasingly competitive global marketplace, the need for destinations to create a unique identity – to differentiate themselves from competitors – has become more critical than ever (Hudson 2008, 401). To make destination attractive it should be well promoted to the marketplace either directly to the customer or to the intermediates (tour operators and travel agents) using a range of promotional methods (WTO 2007, 21). One of the methods is destination branding. Branding is applied to products and services; tourism destination branding is a relatively recent phenomenon (Blain and Levy, Ritchie, 2005, 328). DMOs believe that a recognized and consistent destination image is central to the success of destination branding. Destination logos according to DMOs exist to accurately represent destination image and its attributes (Blain, Levy, Ritchie 2005, 336)

### **Sales and distribution**

Commercial and generic information should be distributed through the most appropriate channels, which are: mailing services to distribute destination information, brochure display facilities, retail travel agency networks and others (WTO 2007, 21).

### **In and outbound logistics**

The ability to access the destination easily and fast has a high influence on destination choice as well as the cost of flights, visa, baggage handling, and schedule (WTO 2007 21).

### **Destination operations and services**

The main experiences tourists have when they are at the destination, it this has a determining effect on the enjoyment level. The experience can be affected by all the as-

pects of the destination, like transfers, visitor centre services, accommodation, tours, etc. (WTO 2007, 21).

### Aftercare

To establish loyalty and positive attitudes among clients client care and follow-up are essential (WTO 2007, 21).

The figure below (3.2) is showing how all parts of the destination are strongly connected with each other.

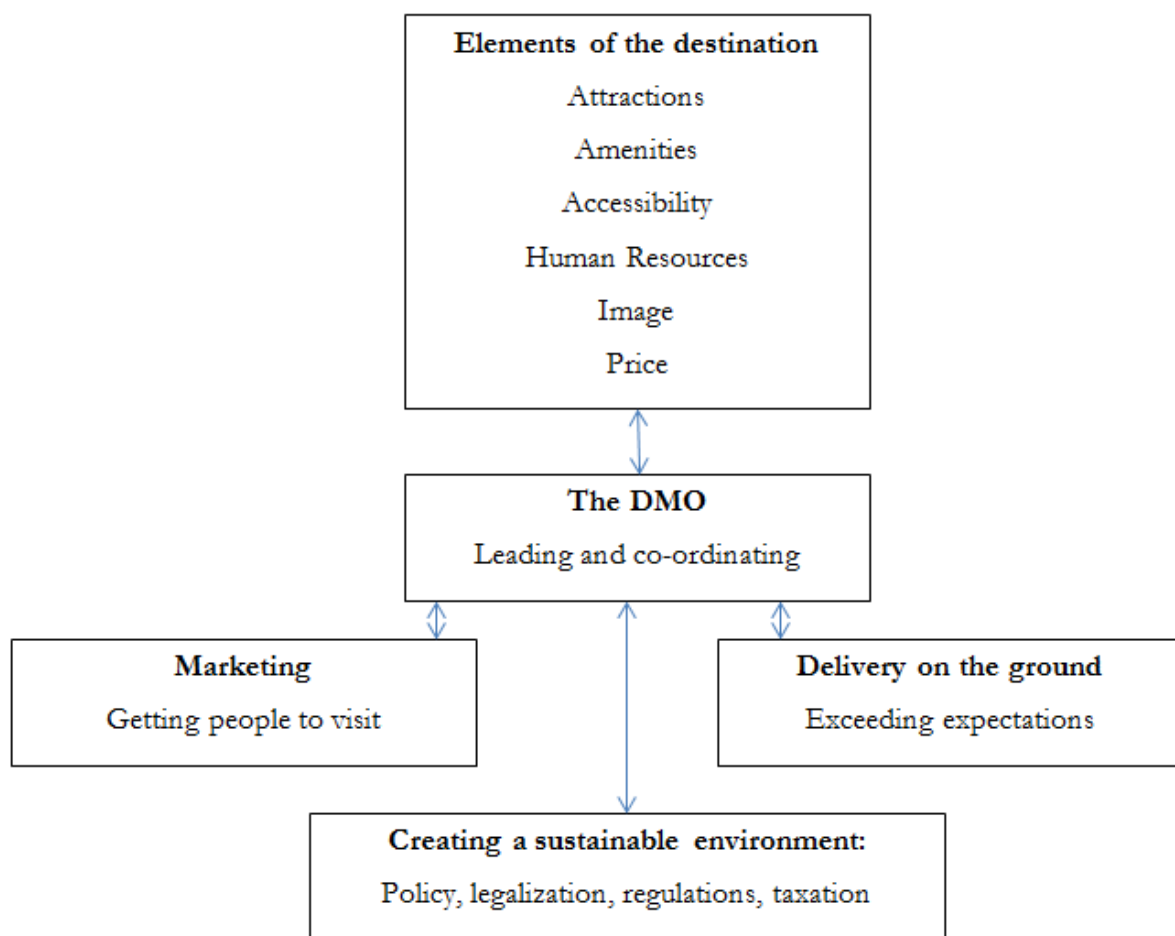


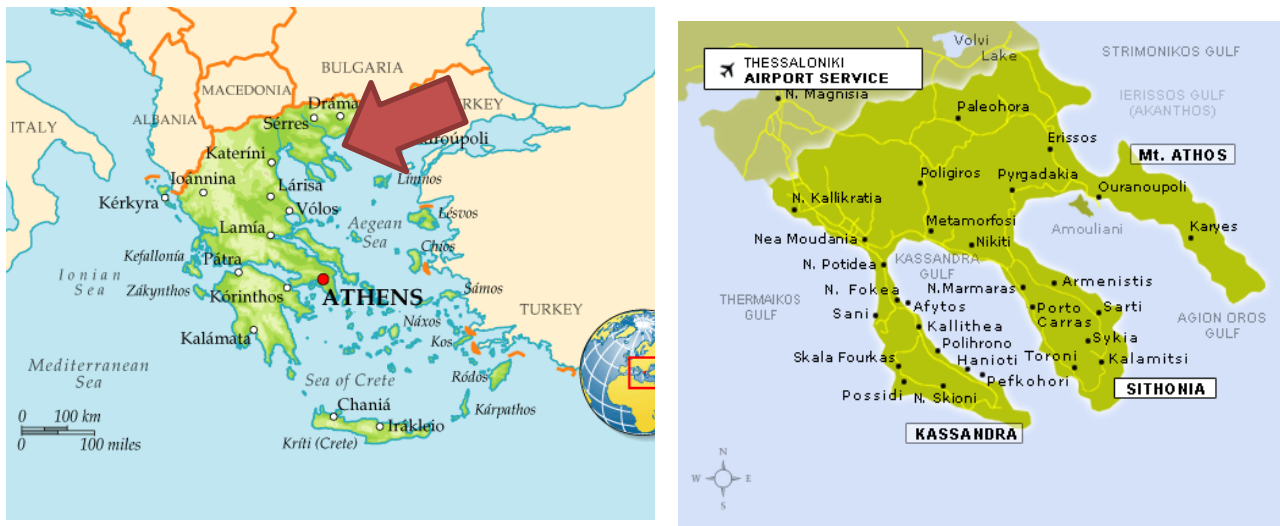
Figure 3.2 Destination Management (WTO 2007, 4)

### 3.5 Sub Conclusion

Destination management organization is essential for the visitors because it haste information about a destination's services and facilities and can provide the full range of information about the destination, it saves visitors time and energy, and moreover most of the services provided by DMO do not have any cost (DMA 2007).

## 4 Halkidiki

Halkidiki is an area in a Northern part of Greece that consists of three peninsulas. On the image below on the left you can see the map of Greece where with red arrow is marked Halkidiki area is marked, on the right the map is zoomed so the area is easy recognized.



This area reminds of three fingers on a person's hand. The first peninsula from the left is called Kassandra, second is Sithonia and the last Mount Athos. Each peninsula is unique and has own attractions and activities.

Halkidiki is famous for crystal clear warm seawaters and clean sandy beaches, awarded by Blue Flags. It has natural environment, which combines beaches, forests and mountains, and is ideal for natural activities (trekking, hiking, and biking).

Third peninsula, Athos, is UNESCO protected one of a kind Monk republic in the world. For the men, a visit to Mount Athos's Monasteries is a lifetime experience. The ladies can enjoy a cruise next to the legendary monuments.

Halkidiki has a lot of traditional Greek villages, each with own history. It is also a birthplace of Aristotle.

The region is filled with Greek taverns, beach bars, friendly local people and history.



## 5 Situation Assessment. Where are we now?

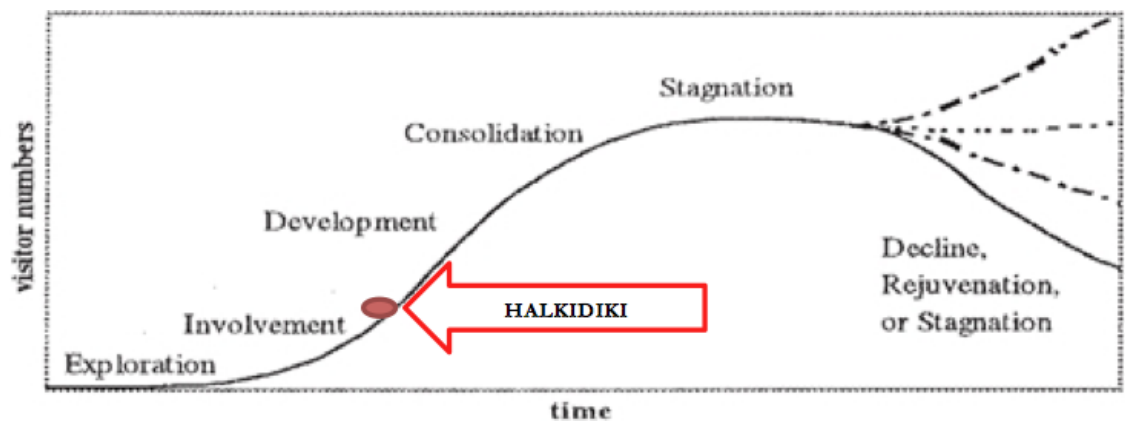


Figure 5.1 Destination Life Cycle (Butler, 1980)

Tourism destinations are constantly changing in the popularity, this is happening due to the influences caused by changes in fashion or to external influences outside the control of the destination (WTO 2007, 16)

It has been argued that the nature of the marketing strategy adopted by a destination is often dictated by the tourism destination life cycle, also known as the tourism life cycle (TALC) (Butler, 1980) Like the product life cycle, the tourism area (or destination) life cycle follows a pattern as outlined in Figure 5.1, moving from exploration to involvement to development to consolidation to stagnation to rejuvenation or decline (Hudson 2008, 400)

It can be said that Halkidiki destination is now placed in between involvement and development stages (marked on the Figure 5.1 with a red arrow). Involvement stage features limited involvement by local residents who provide some facilities to visitor; recognizable tourist seasons and market areas begin to emerge; visitors may travel from within the region (WTO 2007, 17). Development stage however features increase in number of tourists and external organizations such as hotel chains and tour operators take more of a key role.

The stage where Halkidiki destination is placed now is a good stage meaning that it has possibility and time to develop and grow. The decisions made now are going to define the future of the destination.

## 5.1 Questionnaire analysis

It was decided to make a questionnaire in order to find out what do the tourists think of Halkidiki, what expectations they have and what in their point of view needs improvement.

The questionnaire was conducted via website Webropol, it consisted of 14 questions. The questionnaire was sent to people who have been to Halkidiki. Through the social media (Facebook) with a link to the questionnaire; questionnaire was visible on Halkidiki fan page, and other similar pages connected to Greek tourism and its destinations'. Author informed the interviewees that only those who visited Halkidiki might answer the questionnaire. In total 40 responses were collected.

The reliability of the questionnaire however is low due to the fact that number of respondents is low and the questionnaire was conducted online. Questionnaire would be more reliable if it would be conducted during the summer season face to face with tourists on the streets of Halkidiki. This way the author would have a chance to interview various age groups and nationalities.

When analyzing the interview it appeared that the majority of the respondents, 59 % (see chart pie 7.1) are coming from Greece. This can be explained by the fact that the questionnaire was sent to Greek fan pages in Facebook, meaning that the so-called "fans" are Greeks.

10% from Baltic countries (Latvia, Estonia, Lithuania), it should be mentioned that most of the respondents coming from Baltics are seasonal workers in Halkidiki (Personal observation).

It was agreed to put a question "where are you from" instead of "what is your nationality" because of the globalization, nationality of the person nowadays may not say as much, as the place of residence.

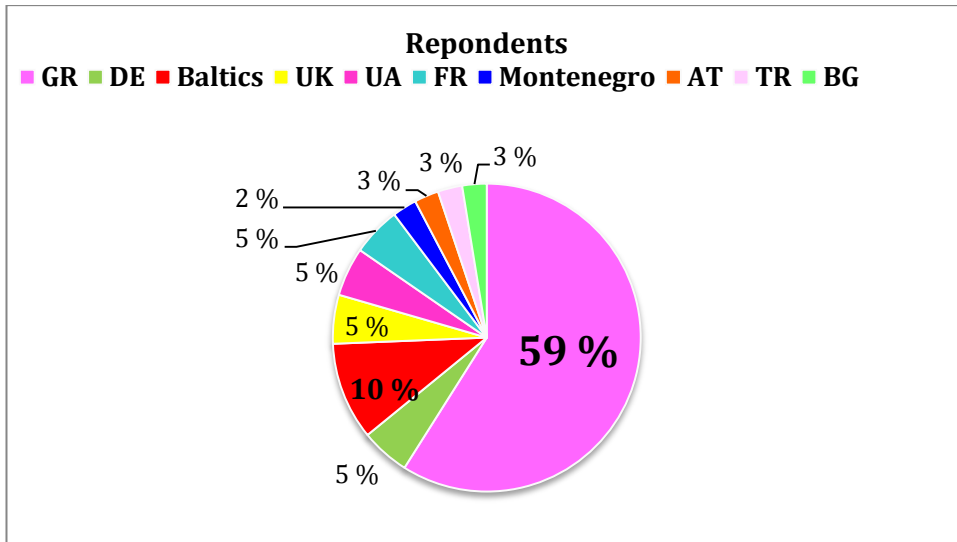
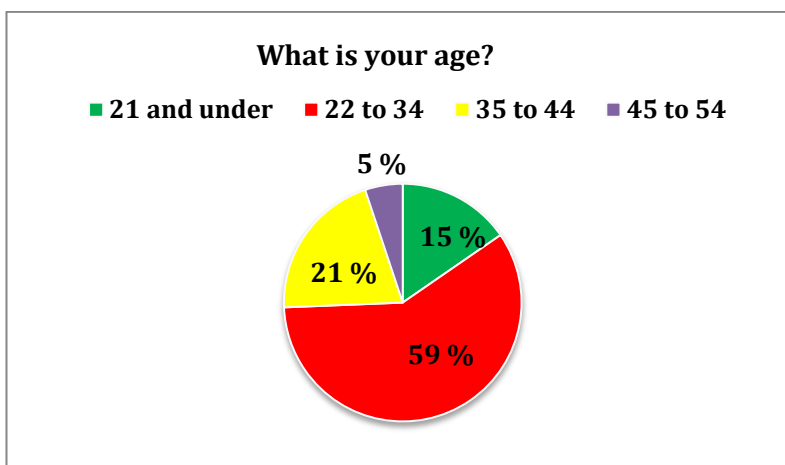
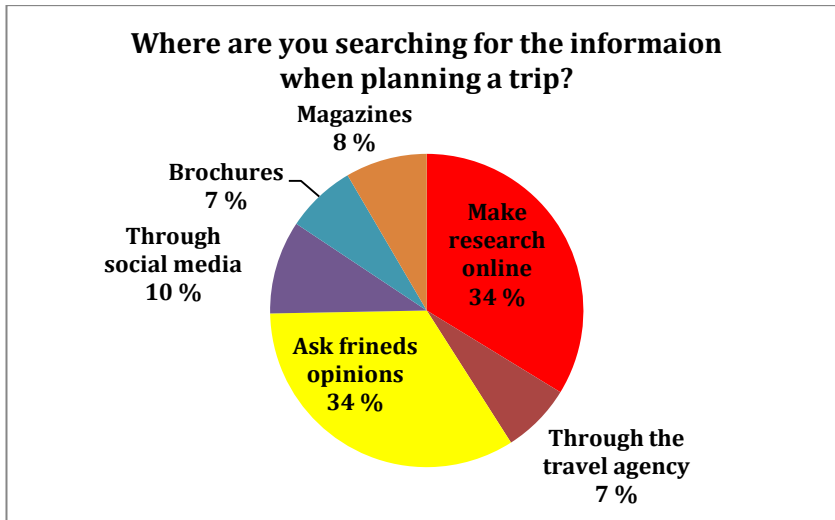


Figure 5.1. Nationalities of respondents

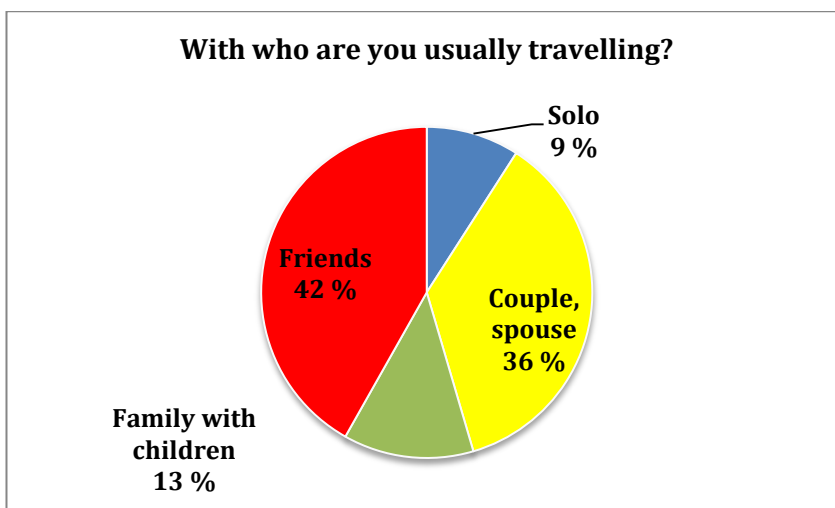
According to the official information presented by Mrs Sofia (see interview analysis, chapter 5.2) main markets for Halkidiki destination are Germany, Russia and Balkan countries. There are also tourists from Italy, Cyprus, Ukraine, Switzerland, UK, and Scandinavian countries.



Most of the people who answered the questionnaire are 22 to 34 years old – 59%. 21% of interviewees are 35-44 years old, then 21 and under – 15 % and the last one is age between 45 and 54 – 5 %. This means that most of the travellers are young people. However this also means that age group 45-54 are not using social networks as much as younger generation.

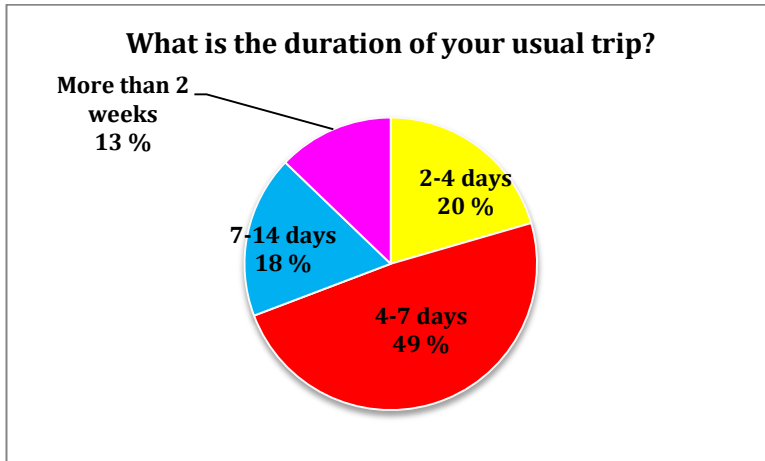


Most of the interviewees (34%) answered that they are looking for the information online when planning their trip. The same amount of interviewees is consulting with friends. Third most popular way for finding a place to go is through the social media (10%). Asking friend's opinion is apparently happening through the social media and social media is part of Internet, so it can be said that 78% of tourists are using internet to find their holiday destination. 8% are checking the magazines and 7% brochures; and only 7% answered that they visit travel agency meaning that it is the least popular way to find the information.

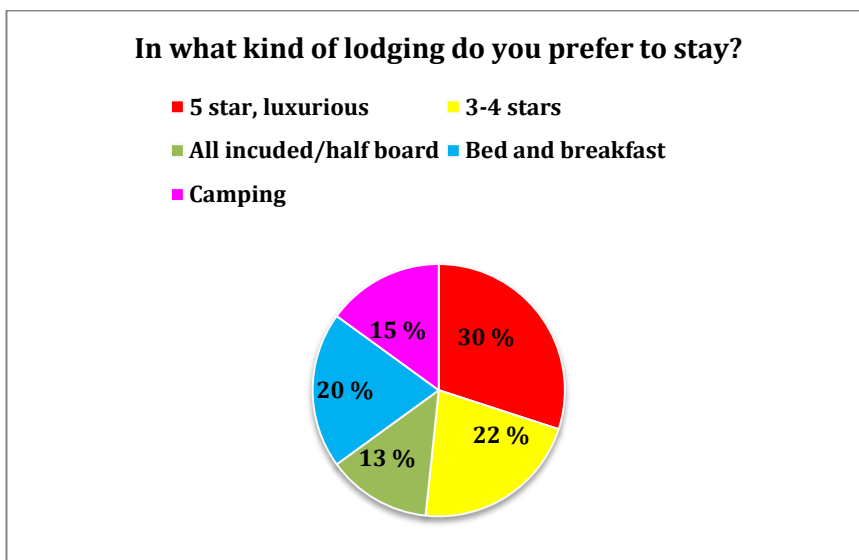


42 % of respondents are travelling with friends and 36% as a couple or with spouse. Only 13% are coming with their families and children and the least are people travelling alone.

However, according to Mrs Sofia the majority of tourists coming to Halkidiki are leisure-targeted travellers who are visiting the destination with their families or couples.



Most of the travellers are spending 4 to 7 days when travelling, 49 % of interviewees. Short trips 2 to 4 days prefer 20% of respondents, 1 to 2 weeks are preferable for 18% and long holidays, which last more than 2 weeks, are interesting for 13% of people.



30% of respondents would prefer to stay in 5 star luxurious hotel, however it is unknown how many of these respondents can actually afford this kind of lodgings. Therefore this information cannot be fully reliable. 22% would be glad to stay in 3-4 star hotels, 20% would prefer B&B hotel or apartment and only 15% would spend their holidays doing camping.

Next part of the questionnaire was created in order to find out the reasons for visiting Halkidiki and the experiences on the ground.

## Reasons for visiting Halkidiki

According to interview the most of the people (29 out of 40) are coming to Halkidiki for the “beautiful beaches and nature”.

Summary of the most popular answers to the question “**Why you have chosen to visit Halkidiki?**” are presented below. Answers are written in a decrease order, where 1 is the most popular answer and 9 is the least popular:

- 1 Beautiful sandy beaches with clear turquoise waters; nature and forests, and excellent climate
- 2 Close to Thessaloniki, second biggest city in Greece (hometown of many interviewees)
- 3 Delicious food, traditional taverns
- 4 Quite, no mass tourism
- 5 Suggested by friend
- 6 Came for a seasonal work
- 7 Historical place
- 8 Visiting friends and relatives
- 9 Coming for bars

What was your favourite experience during your holidays in Halkidiki?	Looking back, is there anything you would have liked to have experienced differently? Anything missing?
Swimming in clear, warm turquoise sea and being on the beach	Infrastructure is missing
Enjoying beautiful untouched nature, scenery, landscape	Bad roads
Total relaxation	Traffic problems during the high seasons
Traditional taverns with delicious food	No sidewalks
Beach bars playing chill out music and nightlife	Better transportation options
Mountain hiking, biking	No or not a lot taxis especially at night
Boat renting	WC's are missing and showers with clean water at the beach, changing rooms
Diving	Parking problem
Cruise next to Mount Athos	Information provision is missing or tourism centres are not visible
Visiting monasteries of Mount Athos	Trips to other places are not obvious
Swimming next to the dolphins	The locals are not keen to promote local

Spending time with friends	traditions, attractions, or areas
Getting to know local people	Not enough activities, excursions, historical
Historical area	places or they are very poorly/not promot-
Discovering the areas by car and boat	ed
Camping	No golf
	More nightlife places

Next question focused on a public transportation issues; there are both “positive” and “negative” experiences. Table below is divided into 4 transportation methods- airport, car rental, taxi, and bus. It can be seen that the most negative feedback received taxi services. Also bus services got many negative reviews. The reviews, which are negative, are highlighted with light red colour.

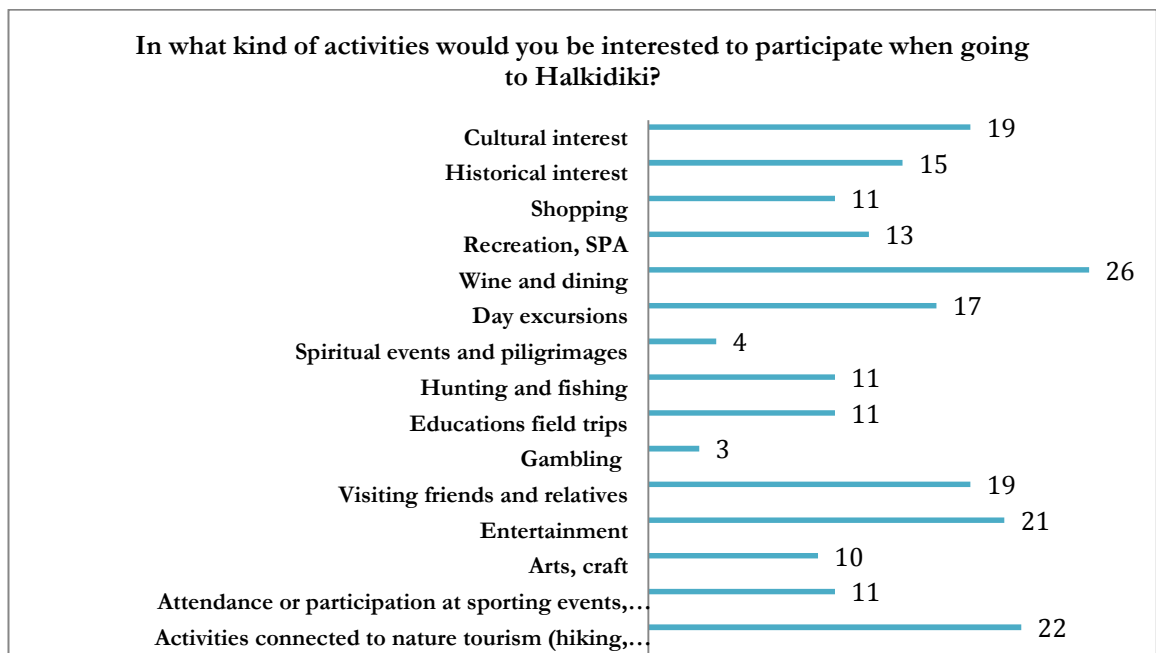
**What were your experiences with (public) transportation (plane, train, bus) /rental car? (If applicable)**

<b>Airport</b>	<b>Car rental</b>	<b>Taxi</b>	<b>Bus</b>
The baggage service of Thessaloniki airport has made great strides in recent years	Staff in car rental not happy to serve	Taxi fares insanely high	The bus was in good condition and quite on time, good value for money, routes are pretty frequent at high season to/from Thessaloniki
Needs renovation and bigger tax free	Absolutely fine - the prices were definitely reasonable	Not enough amount of taxis, at night no taxis	Rude, reckless and sly drivers
Small airport, everything goes fast		Rude, reckless and sly drivers	There is no website for bus schedule I could find
Situated very close to Thessaloniki city centre			Poor public transport inside Halkidiki. No chance to go to another village for clubbing if you don't have a car
Direct connection from airport to Halkidiki does not exist			Buses are fine, but very few
			Direct bus from airport to Halkidiki does not exist



			Very long road with the bus from Thessaloniki to Halkidiki, bus stopped at every village and it took almost 3 hours to get until Halkidiki. No express bus services
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Following question was aimed to find out in what activities are tourists interested to participate in.



It appeared that most of the visitors (26) consider “**wine and dining**” tourism as the most interesting activity. Next in popularity are activities connected to nature tourism (22) meaning going for hiking to the mountains, trekking, and biking. And third most popular activity (21) is entertainment; people are keen to visit concerts, festivals, events and other entertainment activities. 19 respondents would visit friends and relatives, same amount of people have cultural interest and 17 would go for a day excursion. Least interesting for tourist is gambling, only 4 people would go gambling while on holidays to Halkidiki.

Last question of the questionnaire was to write general comments about Halkidiki. The fact is that most of the Greek respondents replied that they are completely satisfied with their trip to Halkidiki and destination does not need improvements. Other nationalities on another hand found a lot of issues that must be improved in order for Halkidiki to be more attractive destination worldwide. This might be explained by the fact that Greeks are thinking short term while Northern European citizens are thinking of long-term possibilities (Author's observations). Also Northern tourist travel more and have more to compare with. And another explanation is that northern infrastructure is much more advanced than southern and the level of living standards is higher, so they got used to good roads, excellent service etc.

**If you have any comments regarding Halkidiki tourism destination and what can be improved there, please feel free to note them: (*Summarized answers*)**

Better roads and road signs, parking spaces, walking paths needed

Improve bus connections between the villages, visible time schedule also in the Internet

Develop taxi services. To have a referent call centre

A direct connection with a boat between the peninsulas could be done

There must be places for trekking and jogging

Children playgrounds must be improved/made

As Kassandra is considered the nightlife centre of the county could create more festivals and live shows

Sithonia must not become Kassandra (party centre)

Halkidiki is not well-known place, it needs more advertisement

Make people build their houses or hotels with traditional appearance

Local people should preserve the beauty of their homeland. Instead of cheap mass tourism they should go for sustainable tourism

Regularly clean the beaches at crowded touristic areas, fewer umbrellas from shops and cafes

Create more water sports activities

## 5.2 Interview analysis

In order to find out what the local authorities are doing for discussed destination, it was decided to interview Mrs Sofia who is a board member of the Halkdiki Hotel Association, local DMO. Unfortunately there was no chance for the author of this thesis to meet her personally therefore 15 questions were send to Mrs Sofia via email.

She answered the questions regarding Halkidiki destination, how it is being promoted and who is doing what for the destination.

She noted that they do not have official statistics about the amount of visitors coming every year to Halkdiki. Thessaloniki airport gives the statistics and it is not precise because some visitors are coming to Thessaloniki but may never go to Halkidiki.

According to Mrs Sofia most of the tourists are coming from Germany, Russia and Balkan countries. There are also tourists from Italy, Cyprus, Ukraine, Switzerland, UK, and Scandinavian countries. The majority is leisure-targeted families and couples. There are also potential rising markets for Halkdiki: Turkey, Italy, Norway, Sweden, Finland, Belarus, Lithuania, and France.

As a Hotel Association they organize a marketing plan each year according to the financial, social, political facts worldwide and inside Europe. This strategy is tasked to the executives of the marketing department and is confirmed by Halkidiki Hotel Association's board.

A team of professionals, who do the research about the existing and potential markets, is promoting Halkidiki destination and follow agreed strategy. This team does not only include the Greek associates but also P.R. offices abroad (so far there is an agreement with P.R. offices about the following countries: Turkey, Italy, Germany, Scandinavian countries).

Halkidiki participates in international tourism fairs with its own stand (about 11-15 fairs every year). It has a hospitality program for journalists and travel agents (fam trips and press trips). It produces promotional material and lately explores the potentials of Internet and social media.

Mrs Sofia tells that since the beginning of 2012 the promotion of Halkidiki has been assigned to Halkidiki Tourism Organization which consists of all productive units: Halkidiki Hotel Association, Halkidiki Chamber, Federation of Halkidiki Studios, Halkidiki Prefecture, Camping Association. There is a board of the consisting elected members and a marketing team or associate expert professionals.

In Mrs Sofia point of view Halkidiki brand associates with the best beaches in Greece. The unique UNESCO monument of Mount Athos is also an attractive and recognisable site all over the world. Plus, Halkidiki's ancient Stagira was the motherland of the philosopher Aristotle and therefore it is included in cultural guide tours and very well known to the educational community.

Hotel Association representative informed that Halkidiki infrastructure is improving every year. New hotels are being built and the old ones are renovated, the road network is improving, the Ministry of Culture organizes the sites.

The future of Halkidiki is not clear, in Mrs Sofia's words, "Halkidiki is not separated from Greece. Since 2010 that the crisis began, Greece has suffered by negative publicity, which has effect on the choice of the average traveler. All Greek destinations are attached to the economy and the foreign policy of the country. If Greece stabilizes its position as a safe and affordable country for the visitors, then Halkidiki will have the opportunity of upgrading its fractures and services in order to claim a higher level of tourists."

Unfortunately the crisis is negatively affecting tourism industry in Greece. The hotel taxes, the fuels, the products have been increased but the global competition and the tour operators forced the hoteliers to reduce their prices. The financial situation combined with the fact that the bookings are less due to the negative publicity, led to lack of jobs or less money for the people who work in tourism and stopped all kinds of development.

Also airport of Thessaloniki has been affected; the flights from/to Thessaloniki are less every year. Mrs Sofia says that this happens because of the global crisis and the fuel price. The airlines cannot afford half-empty flights any more so they cut them off. She thinks that for the next 3-5 years things concerning the airline industry will get worst. However Halkidiki is a very strong destination to visit by car. Therefore the plan of the board is on one hand to approach the airline companies still operate with Thessaloniki's airport and on the other hand to promote the E10 European highway & Egnatia highway as an alternative.

### 5.3 Sub Conclusion

After analyzing the questionnaire and the interview it is now possible to see that everybody agrees on the fact that Halkidiki is a perfect place for the nature tourism. However there are a lot of complains from the tourists regarding the infrastructure, information provision and transportation, it seems that local authorities are not aware of these issues and they are not taking any actions to improve the situation. However every year the marketing plan is being issued and the board members are actively taking part in the international fairs. As Mrs Sofia noted they create a marketing plan according to the financial, social, political situation worldwide, but they seem not to take into the consideration the needs of their customers. If local DMO would be more attentive to the requests of the tourists the marketing plan would be more effective.

## 6 External Environment

### 6.1 PEST

In order to find out which external factors might affect Halkidiki tourism destination and Greek tourism in general, the PEST analysis was conducted. This analysis is focusing on external macro environment, which consists of Political, Economic, Socio-cultural and Technological factors. Only those factors, which are relevant to tourism industry in Greece, are presented below.

#### 6.1.2 Political Factors

Marketing decisions are strongly affected by developments in the political environment. This environment is made up of government agencies and pressure groups that influence and limit the activities of various organizations and individuals in society. Political actions can also have a positive impact on tourism (Hudson 2008, 29). The positive and negative effects of political factors on Greece and Halkidiki are presented in the below table.

<b>Political Factors</b>	
<b>POSITIVE</b>	<b>NEGATIVE</b>
Greece is a member of European Union since 1981 (EU 2012)	Political situation in Greece is very unstable
Instability in countries like Egypt and Tunisia and outflow of tourists will benefit Greece and its hotels positively. The company Thomas Cook Group Plc believes that the tourism industry in Greece will feel the second breath and start actively to recover (Top-casa 2011)	Unemployment rose up to 26,8% in October 2012 (Miami Herald 2013)
The Greek government is taking different actions aimed at safeguarding liquidity in the market and keeping open all tourism enterprises, as well as maintaining their share in the market (Members 2011)	Greek tourism saw 48 different political leaders in the period between 1992 and 2010

	(SETE 2011)
The governmental organization called National Tourism is implementing marketing programs and licensing hotels. It is also making the promotion of Greece, advertising and arranging the country's participation in international and external exhibitions, events and conferences. (Visit Greece 2012)	Misunderstandings between Greek and German government lead to decrease of number of tourists from Germany
Ministry of Tourism is developing a 10-year strategy; the objectives of it are upgrading, diversifying and enriching the quality of tourism product (Members 2011)	
In order to dull the edges of seasonality and enhance the tourism product, Greece will invest in nine strategic branches, such as: Nautical, cultural and countryside tourism, touring, health and wellness, MICE (Meetings, Incentives, Conferences, Events), luxury tourism, city breaks (Athens – Thessaloniki) and traditional beach tourism are all available to potential visitors to Greece (Members 2011)	
New quotas and skill requirements for hotel staff are being issued by ministerial decision (Members 2011)	
Regional airports and ports are being upgraded	
Greece is part of Schengen agreement, which simplifies the travel between countries, so all internal air, road and train travel are handled as domestic trips between those countries (Buzzle 2012). It is very handy for both leisure and business travellers. As they only have to make one Visa and travel around Europe	

### 6.1.3 Economic Factors

Economic factors affect customer purchasing power and spending patterns. Total purchasing power depends on current income, prices, savings and credit, so markets must be aware of major economic trends in income trends in income and of changing consumer spending patterns (Hudson 2008, 27).

<b>Economic Factors</b>	
<b>POSITIVE</b>	<b>NEGATIVE</b>
Greece is euro-zone member, which adopted the common currency in 2001 (Rosenberg 2011)	The country is having a prolonged economic and financial crisis
According to the 2009 data, Greece service sector contributed almost 75.8% to the national GDP and employed 65.1% workforce (EconomyWatch 2010)	Public debt: 161.7% of GDP (2011 est.) (IndexMudi 2012) what means that Greece is on the brink of bankruptcy
Tourism's contribution to the GDP in 2011 is 16,5 % (SETE 2011)	Domestic and external macroeconomic imbalances have widened considerably, which has led to very high public and foreign debt. The on-going global economic and financial crisis is taking its toll on the economy and putting pressure on the debt burden (Europa 2009)
Nearly 1 out of 5 people in Greece works at tourism industry (SETE 2011)	
Through the Credit Guarantee Fund for Small and Very Small Enterprises (TEMPME) (Bank of Greece 2008) 80 000 small- and medium-sized businesses are being supported, providing them with low-interest rate loans worth EUR 9.5 billion (Members 2011)	
The budget for advertising and promotion of Greece worldwide has increased to 50 % (GRR-reporter 2012)	
Interest rate is stable due to the participation of country in the common currency. Actual 1,25 (TradicEconomics)	Given today's conditions, Greek tourism operates at almost 80% of its full potential. (SETE 2011)
Tourism is the lifeblood of the Greek economy. It makes up almost 20% of the country's economic output - the largest share (Lowen 2012)	Greece went into recessions in 2009, after 15 years of economic growth (Folan 2011)
	In July 2010 VAT has increased from 21% to 23% (Worldwide tax 2011)
	The jobless rate for 15-24 year-olds not in school or university is more



	than 50% (Agence France-Presse 2012)
	The average price of unleaded gas/petrol in Greece hit a record €1.849/liter or \$9.15/gallon on April 10, 2012 (LivinginGreece). And currently it is €1,702/ liter taking, Greece is 7 <sup>th</sup> most expensive fuel country in Europe (Fuel prices 2013)

#### 6.1.4 Socio-Cultural Factors

Many social and cultural factors affect the tourism industry. Cultural environment generally are both institutions and other forces that affect society's basic values, perceptions preferences, and behaviours (Hudson 2008, 29)

<b>Socio-cultural Factors</b>	
<b>POSITIVE</b>	<b>NEGATIVE</b>
In the first half of 2009 there was a boost of domestic and inbound tourism with an increase of 40% in passenger arrivals (Members 2011)	Media is making bad reputation for the country when it shows how violent Greeks are and how crisis affects the lifestyle of local people
The Greek embassy in Moscow report that for four months of 2011 was given out 35 thousands different Schengen visas which is two times more than the year 2010. The best time is in April 28 thousand visas was given out this month, this is 114% times more than in year 2010. That means that Greece is still very popular within tourists from Russia (Pora 2012)	Strikes may appear at any time causing troubles for the travellers
	Local businesses may postpone their opening, or not open at all
	Confusion between the spirit of offering services and the feeling of subservience leads to an anti-service syndrome that has affected a significant portion of those working directly and indirectly in tourism (SETE 2011)
The low-cost airlines such as EasyJet and	The Greek tourism product is pre-

<p>Ryanair are giving the possibilities to travel cheaper and easier; this attracts tourists with lower income. The last minute booking possibilities benefit these tourists even more.</p> <p>Also SAS has added direct flights from the Scandinavian capitals to Thessaloniki for the summer time giving a easy access for the new market.</p>	<p>dominantly supplied through foreign TOs and distribution channels, over which Greeks have no influence whatsoever. (SETE 2011)</p>
<p>Policies for travel are becoming greener, employee of every company should be aware of his/her carbon footprint. So that they also tend to choose hotels which have some Eco labels (CWT vision 2010)</p>	
<p>Long history and reach culture, archaeological sites have always attracted thousands of visitors to Greece. It is also popular for its diet, art, music and theatre, nightlife, and lifestyle. Clean beaches and warm sea are making the place perfect for leisure travellers.</p>	
<p>Travel in Greece is relatively safe (Folan 2011)</p>	

### 6.1.5 Technological factors

Technological factors are shaping the future of the tourism the most. All the technological factors for Greece are positive.

The number of Internet users is continuously increasing as well as interactions between people in social networks. The website applications in mobile telephony are wide spreading. The information systems are continuously being upgraded. (SETE 2011)

Already now the tourists are able to further research the market and compare different destinations. Moreover they are in a position to discuss with other travellers the desti-

nations and obtain more information. Therefore the tourists are becoming more and more informed (SETE 2011).

There are already 3,700 iPhone travel applications; travellers can easily install guided tours adapted to their interest or restaurant suggestions depending on his/her location and individual culinary preferences (SETE 2011).

#### **6.1.6 Sub Conclusion**

Tourism is currently the most dynamically growing sector of the Greek economy. It creates employment that encompasses a wide range of activities and spans across different levels of knowledge and expertise, especially for young people and in the regions (SETE 2011).

However Greece is on the brink of bankruptcy and is considered to be out from Euro zone. Still the situation is unstable, unpredictable and not clear. Due to political situation and prolonged economic crisis many tourists rethink their holiday destination and prefer to go to Greece when everything is more stable. The biggest threat however is media, the negatively affect the image of Greece and it will take long time to recover and rebrand the country.

Local people are not cooperating with tourism industry, striking for any occasion and sometimes being violent. The strikes influence the travellers negatively and causing discomfort.

However statistics shows that there is still a growing popularity in Greece from Eastern Europe. Moreover countries like Russia and Ukraine can now easier enter the country due to Schengen agreement.

Ministry of tourism is making a huge promotion of the country aiming to attract more tourists. Making international conferences and huge events will lure business people to Greece.

The renovation of the airports, ports, roads, and direct flights are making it easier to access the country.

Technological improvements and developments are making travellers more informed.

The above chronic problems as well as the bad performance of 2009 and 2010, combined with the growth of Greek competitors and especially the lack of tourism policies in Greece, confirm the need for drastic interventions in Tourism (SETE 2011).

## 6.2 Competitor Analysis

After completing PEST analysis it is now the time to investigate how the competitors are doing during this difficult times. This chapter is focusing on local and international competitors of Greece.

Competitor analysis is a review of competitors that allows the organization to identify and highlight the market trends and the level of loyalty of customers (Hudson 2008, 84)

Competitor Analysis is an important part of the strategic planning process. It has several important roles in strategic planning. First of all it helps to understand the competitive advantage and disadvantage; it also generates understanding of competitors past, present and future strategies. By knowing the competitor you have a chance to develop strategies to achieve competitive advantage in the future (Riley 2012).

For this report competitor analysis is done in order to get to know whatever the destination is performing well and competition effectively for the largest possible share of the market (WTO 2007, 33).

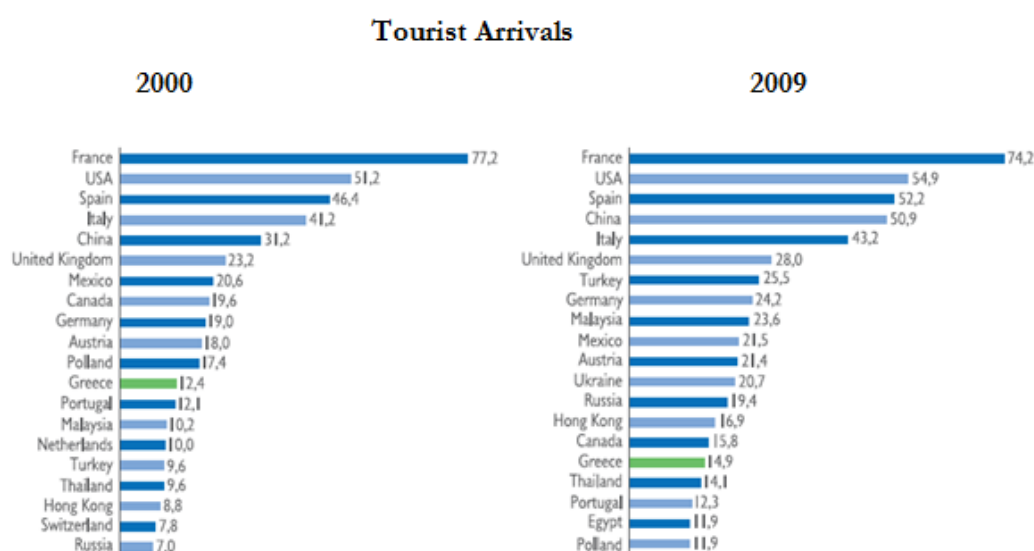
The competition between certain specific destinations is fiercer, depending on a range of criteria. These could include similar source markets, similar products and experiences, similar target market and segments, similar distance from source markets, similar growth performance in source markets and similar peak tourism seasons (WTO 2007, 33).

Greece as a country is a macro destination and competitors are other countries and Halkidiki is a micro destination, competitors are other similar destinations in Greece. Competitor analysis for both macro and micro destinations are analyzed in following paragraphs.

## 6.2.2 Competition within Macro Destination Greece

The competitors for Greece include countries – tourism destinations that either produces the same or similar tourism products as Greece's, or/and address the same markets in order to attract clients. The core product is holidays on the beach; sea, sun, warm weather and entertainment (sea-sun-fun destination). Therefore Spain, Turkey, Cyprus and Egypt appear to be main competitors for Greece (SETE 2010, 20).

According to statistic provided by UNWTO (2010, Tourism Highlights) Greece has dropped in rankings of arrivals and revenue. In 2000 Greece used to have 12<sup>th</sup> position, above Turkey but much below Spain. In 2009 however Greece drops to 16<sup>th</sup> position, letting both Spain and Turkey in front, only Egypt is in a lower position (See graph 6.2.1)



Graph 6.2.1 International ranking based on arrivals (in millions), 2000 and 2009 (SETE 2010, 21)

In 2000 Greece used to be in 11<sup>th</sup> position and in 2009 it drops to 15<sup>th</sup> position.

Greece in arrivals rank in 2011 is on 17<sup>th</sup> position, one place lower than in 2009, below Spain and Turkey. Another drop is in international tourism receipt, from 15<sup>th</sup> in 2009 to 19<sup>th</sup> place in 2011.

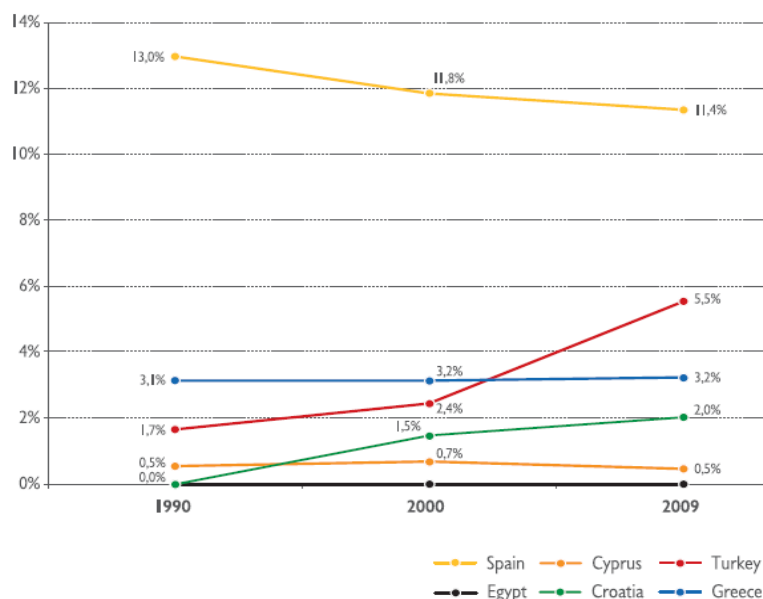
## 2011 Performance

Greece - Competitors						
2011 Performance Indexes	Greece	Spain	Cyprus	Turkey	Egypt	Croatia
Ranking - International Tourist Arrivals	17th	4th	below 50th	6th	26th	24th
Ranking - International Tourism Receipts	19th	2nd	below 50th	12th	33th	32th
International Tourist Arrivals 2011 (in mi.)	16,4	56,7	2,4	29,3	9,5	9,9
% change in arrivals 2000 - 2011	32,3%	22,2%	-11,1%	205,2%	86,3%	86,8%
International Tourism Receipts - 2011 bn USD	14,6	59,9	2,5	23,0	8,7	9,2
% change in receipts 2000-2011	58,7%	99,7%	31,6%	202,6%	102,3%	228,6%
Average per capita tourism expenditure per trip in USD	890	1.056	1.042	785	916	929
World Market Share - International Tourist Arrivals	1,7%	5,8%	0,2%	3,0%	1,0%	1,0%
World Market Share - International Tourism Receipts	1,4%	5,8%	0,2%	2,2%	0,8%	0,9%

Table 6.2.2: 2011 Performance of Greece (SETE data processed by Hell. Stat Authority, UNWTO, WEF)

With regards to market shares, Greek tourism appears to keep its share across Europe, receding slightly on an international level (SETE 2010, 21)

From the graph 6.2.3 it is seen that Spain has the biggest market share, however it is slowly moving down from 13 % in 2000 to 11,4 % in 2009. Turkey has the fastest growing market share, it grew by 3,8 % in 9 years. Also Croatian market share is moving up, but Greece remains at the same level, 3,2 %. Egypt has the lowest share.



Graph 6.2.3 Greece and competitors' market shares based on international arrivals in Europe (SETE 2010, 22)

A comparison between arrivals and the way that supply has been developed (Table 6.2.4), as expressed through hotel beds during the period 2000-2009, demonstrates that supply increases faster than demand. The continuation of this trend, not only reduces the return on investments, but also from a certain point onwards and combined with disproportionate increase in the operational cost of tourism businesses, raises the question of sustainability (SETE 2010, 22)

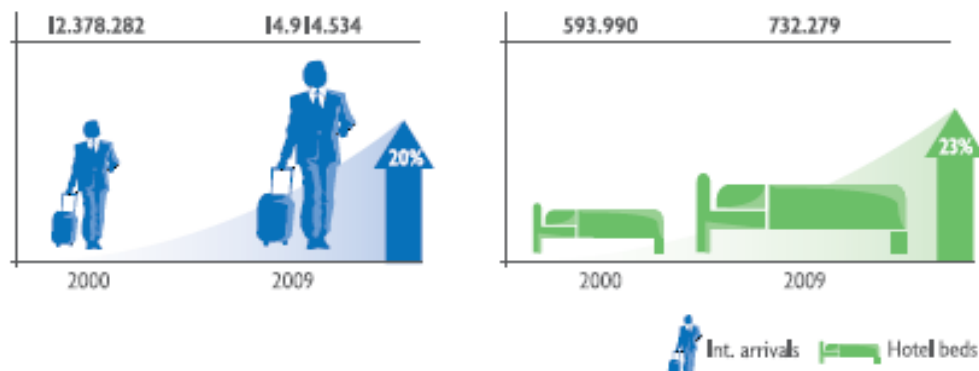
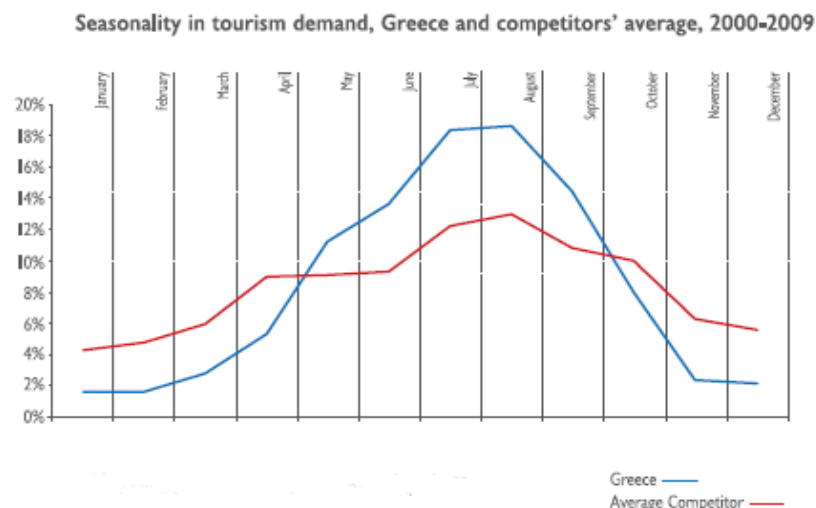


Table 6.2.4 Changes in arrivals and hotel beds, 2000 and 2009. Supply is growing faster than demand (SETE 2010, 23, based on data provided by Hellenic Chamber of Hotels and El. STAT)

The unabated seasonal intensity- almost the same curve for twenty years- represents the significant disadvantage against Greek competitors and endangers the development in this sector (graph 6.2.5). During the July-August-September quarter Greece is continuing to receive more than 54% international arrivals, whereas in the remaining months destination either do not fully operate, or completely stop working (SETE 2010, 25)

From the graph 6.2.5 it is seen that Greece has much stronger expressed shoulder seasons comparing to an average competitor. After August the line is falling down dramatically meaning that there is no more tourists coming to the country.





Graph 6.2.5 Seasonality in tourism demand, Greece and competitors' average, 2000-2009 (SETE 2010, 25).

### 6.2.3 Sub Conclusion

The main competitors for Greece as a holiday destination are Spain, Turkey, Egypt, Cyprus and Croatia. These countries attract the same markets and providing with more or less similar products. Spain has a big market share and is ranked 4<sup>th</sup> in international tourists arrivals in the world, to get until Spain's level is complicated therefore the main competitor is Turkey. Turkey is actively working on advertising its products all over the world; its market share, as well as the number of arrivals is rapidly growing. Also Turkey has not been so much affected by economic crisis, Spain and Greece have continuing political and economic crisis, which affect the reputation and the image of both countries. It is necessary to mention that due to economic controversy between Germany and Greece many German tourists are not willing to come to Greece for holidays anymore, thus preferring Turkey. But instability in Middle East affects tourism in Egypt and plays positively for Greece.

The statistics of Greek tourism is negative as well as the situation in the country; these factors are working against Greece leading to decrease of arrivals, image deterioration and money loss. Needless to say, at this time the changes are essential.

### 6.3 Micro Destination Halkidiki Competitors

In the previous paragraph it was found out that the main competitors for Greece are Turkey, Spain, Egypt and Croatia; the purpose of this paragraph is to find out the main competitors for Halkidiki destination within other local destinations.

Touristic Greece can be divided into 4 main areas as seen on the map below; Halkidiki is part of these areas. **Halkidiki**



Greece as a country is a macro destination and Halkidiki is a micro destination in this country. As seen on the map, the main touristic areas are Athens, Crete, Rhodes and Halkidiki.

The statistics from the airports has shown that in Greece there are 5 most popular airports, which are carrying the most passengers:

1. Athens
2. Heraklion
3. Rhodes
- 4. Thessaloniki**
5. Kos (SETE SE7E - Basic Figures 2011)

Airport of Thessaloniki is the one closest to Halkidiki. It is situated on 4<sup>th</sup> place after Athens, Heraklion and Rhodes. According to this information it can be said that Crete (Heraklion) and Rhodes have much more tourists than Halkidiki and these islands are the main competitors for the Northern region.

For this analysis Athens is not going to be taken into consideration due to the fact that it is a city destination, not the beach, sea-sun-fun destination like Heraklion and Rhodes.

By analysing the main competitors of Halkidiki destination it will be possible to identify the destination's strengths, weaknesses, opportunities and threats- conduct SWOT. Besides it would be possible to see what is the competitive advantage of Greece in comparison to other destinations.

Competitors are going to be analysed in 8 different categories, which are: accessibility, image, language, accommodation, stability & safety, activities, public & private amenities, and weather & seasonality. Those categories are the elements of each tourism destination, as it was discovered in the 3<sup>rd</sup> paragraph.

### **Accessibility**

#### **1 Crete**

Crete has two airports. Heraklion is the second biggest international airport in Greece and it is 50 minutes away from Athens by air. It handles charter flights from most European capitals through the year (except winter months); during the summer months has 130 planes arrivals per day. Crete can be reached by ferries, and it has connection to the major Greek ports.

#### **2 Rhodes**

Rhodes is 45 minutes flight time from Athens. Its airport handles regular charter flights. The island can be reached by ferries, has connection to the major Greek ports.

#### **3 Halkidiki**

The closest airport is in Thessaloniki, 2 hours away from Athos (third leg of Halkidiki's peninsula), 1 hour from Sithonia (second leg), and 40 minutes away from Kassandra (first leg). It takes 55 minutes to fly from Athens. The tickets prices from any European cities to the airport of Thessaloniki are more expensive comparing to Crete and Rhodes. Airport does not handle as many regular charter flights as Crete and Rhodes. However Halkidiki is easy to access by road from Athens, Bulgaria and Serbia.

## Image

### **1 Crete**

15 % of all arrivals in Greece come through the city of Heraklion (port and airport) (Crete car Hire 2013). Crete has mass tourism. It is popular within younger tourists because of island's vibrant nightlife. Has many activities and attractions. Well known old Greek movie "Zorbas" was filmed on this island.

### **2 Rhodos**

Rhodes is the most well-known holiday island in Greece (Why go Greece, 2013). Winner of Tripadvisor "Travellers choice 2012" in category "Destinations" (Tripadvisor 2012). Rhodes has the oldest tourist history from all the islands of Greece and is famous all over the world (Rhodes travel 2012). Many Hollywood films have been filmed here, that helped more the global advertisement of Rhodes and its beauties (Rhodes travel 2012). However it suffers from mass tourism. Has many attractions and entertainment possibilities as well as vibrant nightlife.

### **3 Halkidiki**

This area is known for beauty of the beaches and landscape also known for Mount Athos, the only monk republic in Europe. Not touched by mass tourism.

## Language

### **1 Crete, Rhodos**

On both islands in the touristic areas local people are speaking very well English; many speak German, Russian and other languages. Most of the hotels have international employees with knowledge of minimum 3 languages

### **2 Halkidiki**

Local people in the touristic areas do speak English; some speak German or Russian or Bulgarian or Serbian. People from local villages, have a low knowledge of English. Big hotels have multilingual employees

## Accommodation

### **1 Crete, Rhodos**

Both islands have accommodations of every category, from big luxury hotels and villas to family owned apartments and camping

## **2 Halkidiki**

Has 4 main 5 star luxury hotels; most of the hotels on the territory of Halkidiki are 3-2 stars. Has a wide selection of apartments and camping.

### **Stability & safety**

#### **1 Rhodes**

According to statistics crisis has never affected Rhodes, the hotels were always fully booked (Rhodes University 2012). Rhodes is often considered one of the safest places in Greece, and the crime rate is so small that “crime” is said to be almost an unknown word (Tripadvisor Health and Safety, 2013). However many of the ancient sites and even much of the Medieval City are known for its steep, and at times jagged, paths, which are causing troubles for the tourists (Tripadvisor Health and Safety, 2013). There has been an increase in police crackdowns on overzealous partiers on Rhodes. Police has increased patrols in the resorts area’s (Tripadvisor Health and Safety Rhodes, 2013).

#### **2 Crete**

Crete like Rhodes is considered as a safe place to be. Outside the main cities, the crime rate is low (Tripadvisor Health and Safety Crete, 2013). High mountain roads are sometimes without safety barriers or even without road markings, which might bring troubles to the tourists who are travelling by cars (Tripadvisor Health and Safety Crete, 2013)

#### **3 Halkidiki**

As Crete and Rhodes Halkidiki is considered to be a safe place to be. However there are beggars and gypsies who seem to be more aggressive than in Crete and Rhodes. This might be happening due to the low involvement of the local police.

### **Activities**

#### **1 Crete**

As Crete is the biggest island in the Mediterranean it also has a huge variety of things to do and see. However to see it the entirely traveller needs minimum 10 days. It is easy to rent a car and discover the island, has plenty of historical sights, places of interest as well as activities. Island is popular for its nightlife.

## **2 Rhodes**

This island is smaller than Crete and it is more compact therefore there is possibility to discover all the interesting sights faster. More convenient for travellers who have short time given for the holidays

## **3 Halkidiki**

Has fewer activities or they are not obvious and clearly presented by tourist offices. Mount Athos situated on third peninsula of Halkidiki is one of the most unique places on Earth, however allows in only men.

## **Infrastructure**

### **1 Crete**

The main road in Crete is the national road that follows the north seashore of the island from East to West. This is a fairly good road that handles most of the traffic of the island. The rest of the roads range from smaller asphalt roads to all kinds of dirt roads. There is an extensive public bus service covering the entire island (InterCriti 2013). The medical services in Crete are generally of high standards. There is at least one general hospital in the major cities and medical centers in almost every smaller town (InterCriti 2013)

### **2 Rhodes**

The island of Rhodes has an excellent tourist infrastructure with modern Hotels of every category. During the summer, hundreds of charter flights landing at Rhodes airport in Maritsa (Rhodes 2012). Major national, European and world congresses are held on Rhodes each year. All congress facilities ranging from ancient theatres to the medieval palace or ultra-modern buildings meet the necessary operating and technological specifications. (Rhodes 2012)

### **3 Halkidiki**

Due to the fact that Halkidiki started to receive tourists later than Crete and Rhodes, it is less developed and less friendly for tourists. As the survey showed most of the tourists believe that Halkidiki has a weak infrastructure: broken roads, no or little facilities for the tourists etc. According to the questionnaire most of the tourists are dissatisfied with the infrastructure in Halkidiki

## **Weather and Seasonality**

### **1 Crete, Rhodos**

Mediterranean climate is found in, Crete and Rhodes. The winters are mild and wet while the summers are dry and hot. Occasionally snowfalls can occur. Season is between April and the end of October

### **2 Halkidiki**

Has the Alpine climate. The temperatures are going down in the beginning of September; the rainy days start to be common. During the summer time rain can happen more often than on islands. Season starts in the end of April lasting until beginning of October

To summarize everything, which was analysed above the table with scores for each destination, is presented. The scores from 1 to 5, where 1 is the lowest and 5 is the highest, were given for Crete, Rhodes and Halkidiki for the different categories presented on the left. Total score is calculated in the end of the table.

	<b>Crete</b>	<b>Rhodes</b>	<b>Halkidiki</b>
<b>Accessibility</b>	5	5	3
<b>Image</b>	5	5	4
<b>Language</b>	5	5	5
<b>Accommodation</b>	5	5	4
<b>Stability &amp; Safety</b>	4	4	3
<b>Activities</b>	5	4	3
<b>Infrastructure</b>	3	3	2
<b>Weather and Seasonality</b>	4	4	3

<b>TOTAL</b>	<b>36</b>	<b>35</b>	<b>27</b>
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Table 6.3.1 Scores for the destinations

As it is seen from table 6.3.1 Crete has the highest score, 36. Rhodes has similar score with Crete, 35; it has 1 point less in “Activities” category due to the fact that Crete has more activities to offer. Unfortunately Halkidiki has the lowest score, only 27. Some of the things not possible to change in Halkidiki like weather, summer season weather is shorter there comparing to Crete and Rhodes climate, but all the rest can and should be improved.

The good part about Halkidiki is that it can be easily accessed by car via autobahn. Already now it can be said that this area is not affected by the mass tourism.

Next chapter will identify strong and weak parts of Northern area of Greece and discover its opportunities and threats.



## **7 SWOT**

SWOT analysis is a technique that provides scope for an organization to list all its strengths (those things it does best and its positive product features), weaknesses (problems that affect success), opportunities, and threats (Hudson 2008, 92).

### **Strengths of Halkidiki tourism destination**

Destination is on developing stage in destination life cycle

Situated in a short distance from Thessaloniki, second biggest city in Greece

Natural environment, untouched beauty of the area, clean beaches, turquoise seawater

Untouched by mass tourism

Quite place, perfect for relaxing holidays

Three peninsulas proving different experiences (Kassandra- active, night club area, young tourists; Sithonia – quite, relaxing; Athos- monk republic)

Mount Athos is a worldwide famous attraction, which many of the tourists are curious to see

Possibility to see the dolphins in their natural environment

Historical area

### **Weaknesses**

Not developed infrastructure

Difficult to reach the destination and transportation problems on the ground

Tourist centres are not visible

Some of the local people are not keen to promote their traditions, attractions, or areas

Only one golf court in the whole area

Concerts and festivals are not well promoted

Not well known

High seasonality

### **Opportunity**

Halkidiki still can create its own image

Has opportunity to develop its product and services

Possibility to attract high-income clients and not to become cheap mass tourism

### **Threats**

Unstable economic and political situation in Greece “scare” away potential tourists

Many suppliers, hotels, restaurants are closing their business due to the bankruptcy

Supply increases faster than the demand

Costs cuttings on employees

Media is making a bad reputation

Threats of the current national and international competitors as well as threats of new destinations

Rising taxes are affecting the local businesses

## **8 Ideas for the Improvement of Halkidki Tourism Destination**

After completing the situation assessment it is now possible to discuss the ideas for developing Halkidki area.

### **Roads, roads signs and sidewalks**

Roads should be renovated and the main roads should have one more driving line in order to handle a large amount of cars and reduce road traffic. There should be safe sidewalks for the pedestrians.

The road signs should be installed, they should be well kept and be written in Greek and English languages. Signs should include all tourism facilities: airports/ferry ports, information centres, attractions, recreational sites, and accommodation (UNWTO 2007, 118)

Parking spaces near the grocery shops should be well maintained and have a lot of space. The main touristic promenades in the villages might be closed for the cars during the high season in order to give more space for the visitors.

Streets should be cleaned and well maintained.

### **Transportation**

Developing of the route networks will impact on the development of Halkidki, through improved ease of access and highly competitive pricing.

There should be a direct connection between airport of Thessaloniki and Halkidiki region. Also the busses should have more frequent time schedule during the summer months. Authorities should think of adding express line, which would connect Thessaloniki and Halkidki. The bus stops have to be well seen, have to have the sign and the schedule of the busses.

Connection between the villages has to be improved. There could be night busses added to bring the tourists from the bars, nightclubs, and restaurants back to their hotels.

The schedule should be easy to find in the Internet and be in Greek, English and possibly in another languages (German or Russian).

The brochures with the timetable of the bus should be available at local hotels, apartments, and camping, as well as at the tourist information centres. Local destination management organization website should also contain the information about the schedules.

The taxi park could have more cars in order to handle the amount of customers during the summer months. Also the telephone number of the taxi should be easy to see and known by tourists and taxi referent call centre should be created. Each taxi should be equipped with the machine that calculates kilometres and the price; besides taxi drivers have to turn this machine on when driving the client. The prices should be stable and easy to see by clients. Drivers should be able to communicate with the passenger and understand where the passenger needs to be taken. By providing the drivers with information, product knowledge and customer care training, as well as with language classes, the local authorities can help to ensure that taxi drivers provide a good service and a warm welcome – even to the point of acting as informal tourist guides (UNWTO 2007, 119).

The “sea bus” might connect peninsulas of Halkidiki, this bus/boat would serve as a connection between Kassandra and Sithonia and also as a touristic attraction. The drivers should know English language to be able to communicate with customers; they also should learn how their serving behaviour might affect their business.

### **Tourist centres**

Before and during the visit to a destination the visitor requires a number of information services. The centre is the showcase for the destination and must set the standard in terms of quality; integrity and customer care which other industry operators can follow (UNWTO 2007, 120).

Every touristic village should have a tourist centre. Tourist centre has to be visible and easy to access. Employees should have knowledge of English and perfectly some other languages. Tourist centre has to contain information about the nearby attractions and activities, be able to provide with maps and guides, with information about busses, car hire, taxis, shops, etc.

### **Leisure card**

Most of the cities around the world have so-called City Cards. City card is a card that individual can purchase in a tourist centre and or gives discounts when using public transport, free entrances to museums and main attractions, discounts for the packages and restaurants. Halkidiki can have it as well, not for the city, but for the region, and can call it a “Leisure card”. This card would give a discount when using public transport to get from Thessaloniki to Halkidiki, and for a car or a boat rent; discounts in various beach bars and restaurants, as well as complimentary entrance to the museums.

It should be noted that Thessaloniki city does not have City Card, so Halkidiki card could be connected to Thessaloniki city tourist centres.

### **Tours**

As the questionnaire showed many people are interested in one-day excursions. They are also interested in nature tourism and outdoor adventure activities, would be willing to enjoy hiking, trekking, biking, parachuting, climbing, etc. Hiking, trekking and jogging roads have to be well maintained and have signs; the tourist office should have a map with the main roads and directions.

Special tours might be organized and packages could be created to attract tourists who are not interested in spending their holidays only on the beach, but would rather travel around. Halkidiki is famous for the honey production; therefore tour around main spots of the honey production as well as honey tastings can be organized. A local travel centre could sell these tours. This area is also famous for the wine; the same kind of tour can be done for the wine admirers. Popular nature tourism can be easily arranged in Halkidiki- tours to mandarin farms, olive, citrus and other farming activities.

Halkidiki could develop water-based activities, such as day cruises, boat/ yacht renting, water ski etc. But these activities should not disturb the rest of the tourists who have chosen to have a quiet time on the beach as well as local people. Thus water sports centres should be situated far from the main beach areas.

There is a competition organized in Halkidiki, International Crossing of the Toroneos Gulf. Many athletes are coming for couple of days to Halkidiki to compete. The goal is to cross the sea between Kassandra and Sithonia the distance is 26 kilometres. This event should be promoted because it can attract more tourists as well as participants, sponsors and press. The website of the event <http://sithwn.com> is poorly constructed and difficult to find via Google, nevertheless to say that this matter should be taken into the consideration.

Halkidiki can cooperate with Greek and international universities to attract attention of young generation. The historical/fun tours can be created for them, and the special prices for the camping facilities can be provided.

On the beaches there has to be showers with clean water, changing rooms and toilets. Children playgrounds could be created as well so that the destination would be more family friendly. The cleaning of the beaches, streets and all public areas is a very important aspect; if the region is clean it is more attractive and more friendly both for tourists and local people.

New houses and hotels should be built in a traditional style of certain village so that the area would be with the same appearance.

### **Website**

Halkidiki has 7 websites; Sithonia peninsula has 3 website for the tourists with more or less same information provided by different organizations. Most of the websites are poorly designed and not well operated. The tourist organization of Halkidiki is already one year under construction and contains no information. Nobody is also picking up the phone when you try to call to the organization.

Halkidiki hotel organization <http://www.halkidiki-hotels.gr> is the only well maintained and attractive website. It has all the information about destination, photos and videos; the brochure and maps can be also downloaded. The question is why should Halkidiki have so many websites. One website for Halkidiki region, one for Sithonia, one for Kassandra would be enough and the tourists will not be confused.

In the whole Halkidiki area there is only one golf field. A local hotel owns this golf centre. Authorities should consider giving the licences to another businesses so that they would be able to open new golf fields, as seen from the questionnaire people would be interested to play this game while on holidays.

There is a chance to organize more live concerts and shows as well as create Halkidiki's own festival.

## 9 Strategic objectives for Halkidiki destination

- 1) To improve the facilities and infrastructure
- 2) Train the employees in the tourism field in order to be able to increase the satisfaction of tourists and be able to delight the customers
- 3) Think long-term profitability and competitiveness
- 4) Develop Halkidiki sustainability and prosperity of local people

Halkidiki should be properly and continuously supported by the government and ministry of tourism, however as it was discussed above the situation in Greece at the moment is difficult.

When developing the destination it is crucial to keep and protect the environment. It is also important to preserve the local architecture and have a natural resources management.

It has to be understood that tourists' satisfaction cannot be achieved by individual business; instead all the businesses should cooperate and work as a network for the same goal.

The improvement in services is perhaps the most important strategic objective. Consistency of promises through standardization of service delivery and implementation of a total quality management philosophy throughout the industry are essential strategic tasks for achieving this objective, while flexibility in service delivery and improvements in training are critical. (Buhalis 2001, 464)

The training and education is also important for "front-of-house" employees that should perform as salesmen therefore increasing the average spending per client.

Because Halkidiki should not become another mass tourism destination in Greece it should start to create tailor made tourism products with the aim to satisfy specific needs of higher end customers as well as requirements of the new emerging tourism



demand. According to Bukhalis (2001, 471) segmentation of the lifestyle would enable Greek tourism to design appropriate tourism products.

By doing that the higher rates can be achieved, Halkidiki should target smaller and specialized tour operators that are working with alternative types of tourists. Encouraging direct sales to outgoing travel agencies or consumers thus expanding the distribution channels mix.

Region representatives should establish a strong contact with other enterprises and use aggressive marketing strategies.

But it is important not to forget that tourism services should offer value for money and clients should get what they have been promised, thus the quality control should be created and management operations improved.

Continuing with the pricing it should be noticed that it is essential for Halkidiki to start to think long-term profitability and competitiveness. So far the plans of the region and individual business were short term.

As it has already been mentioned there is a high seasonality in Northern part of Greece, the season therefore should be prolonged, this could be done by penetrating into the existing markets and attracting new markets as well as practicing effective usage of the distribution channels.

Halkidiki should also be better advertised internally, attracting Greek tourists to spend their holidays in their homeland.

In order to make employees motivated they should have satisfactory working conditions and salary, the contact and relations with the employees should be long-term. Both managers and employees need to improve their marketing skills and productivity. Greeks intend to hire their family members and relatives which have no previous experience and education in this field, to their companies, as a result many service related businesses are lacking the service standards, this leads to dissatisfaction of their clients.

The service related companies should start to intake professional employees, which can satisfy the customers' needs.

However it should be agreed that in the Northern part of Greece there is no universities that could educate future professional service and hospitality related employees.

Halkidiki tourism organizations should start to make statistics and not depend on data provided by Thessaloniki airport. By doing that it will be possible to see precisely the number of tourists coming to the region, their nationalities, from there they found information about Halkidiki, what are they interest and what activities they are taking part in, etc. This will help to create a better and more reliable marketing plan and advertising campaigns as well as target the right audience. Creating annual statistics will help DMOs to better understand the clients' needs as well as trends and demands.

### **Direct dialogue with the fairs**

To be positively visible to different distributors and clients it is essential to visit international tourism fairs and exhibitions. Direct dialogue will create a trust and it is considered to be the most efficient way to interact with the target group.

The fairs, which are considered to be more convenient to visit in 2013 and 2014, are:

#### **MITT Moscow, Russia**

<http://www.mitt.ru>

20-23 March 2013

Held since 1994, MITT has become the main and most representative industry forum for the travel professionals of Russia and Eastern Europe.

As Russia is considered to be the target audience, this fair is essential to visit, it is important to keep in touch with the old and new local tour operators and enterprises as well as with the potential visitors. Besides, the topic of this year is Luxury tourism therefore it is expected to meet many luxury TO and TA representatives and sell Halkidiki destination as an executive destination.

#### **ITB Berlin, Germany**

<http://www.itb-berlin.de/en>

6 -10 March 2013

It is the World's Leading Travel Trade Show. The whole variety of travelling is present at ITB Berlin: Destinations, tour operators, booking systems, carriers, hotels and all other suppliers. This fair is another effective way to meet the industry.

As it was discussed before the relationships between Germany and Greece are not very strong lately, this could be a chance to improve the image of the country and create new contacts.

### **KITF Almaty, Kazahstan**

<http://www.kitf.kz>

24-26 April 2013

KITF – is a major tourism forum in Central Asia bringing together countries, TOs, TAs and hotels. The reason for visiting this forum is to create the connection between Kazakhstan and Greece and attract new market.

### **TUR Sweden, Gothenburg** (potential market)

<http://www.tur.se>

21-24 March 2013

TUR is a unique meeting place for the entire hospitality industry. As there are new direct flights from Stockholm to Thessaloniki during the summer time it is a great chance to show to the new market what Halkidiki has to offer.

### **UITT Kiev, Ukraine**

27-29 March 2013

<http://uitt-kiev.com>

The Ukraine International Travel & Tourism Show (UITT) is universally recognized as the leading travel industry event in Ukraine. With over 50 destinations and a substantial audience, UITT is an effective way to build a business in Ukraine.

Halkidiki and Greece have a connection with Ukraine but it is always important to meet the industry every year and remind of itself.

### **SAJAM Turizma Belgrade, Serbia**

<http://www.beogradskisajamturizma.rs>

21 – 24 February 2013

Belgrade Fair the largest and most successful trade fair institution in Serbia and the Southeast Europe. Serbia is another country that is strongly connected to Greece, thousands of tourists are coming to Halkidiki every year, and therefore this fair is necessary to visit.

**Travel Turkey, Izmir** (potential market)

5-8 December 2013

<http://www.travelturkey-expo.com>

Travel Turkey expo is hosting 585 exhibitors and 15,963 professional visitors from 30 countries. Turkey is a growing market; by visiting this fair it is possible to attract new partners and distributors.

**EMITT, Turkey** (potential market)

January 2014

<http://emittistanbul.com/en/>

East Mediterranean International Tourism and Travel Exhibition. 57,000 tourism professionals and 71,000 visitors hailing from 60 countries for a total of 128,000 people, all of Turkey's eminent travel agencies, tour operators, hotels, plus over 200 cities and hundreds of participants from 60 countries, attend the EMITT exhibition.

**Vakantie Beurs, Holland**

January 2014

46th Utrecht International Tourism & Recreation Fair

Holland is a new market and by attending this fair will give a chance to create new connections and meet the distributors.

**Ferie & Fritid i Bella** Copenhagen, Denmark (potential market)

January 2014

<http://ferieibella.dk>

It is a travel exhibition dedicated to Cruising, Backpacking, travel planning, Sports and leisure, Diving, Golf and Camping. This fair is focusing also on Camping travel, Halkidiki provides the variety of Camping facilities, that is why visiting this fair should be considered. Also SAS airlines are now flying directly from Copenhagen to Thessaloniki during the summer months, opening the “doors” for Scandinavian travellers.

### **Destinations London, England**

January 2014

<http://www.destinationsshow.com>

It is the biggest holiday and travel show in England. There is a demand from British tourists therefore there is a reason to exhibit at his fair.

### **MATKA Helsinki, Finland** (potential market)

16-19 January 2014

<http://web.finnexpo.fi/Sites1/Matka/Sivut/default.aspx>

Almost 1,100 exhibitors from 80 countries exhibited at Matka 2013. It is a good chance to meet Nordic colleagues and establish connections.

### **Taxidi, Cyprus**

19-21 April 2013

The Association of Cyprus Travel Agents organizes the TAXIDI exhibition every year. The exhibition constitutes the ideal forum where the Cypriot traveller can obtain valuable and comprehensive information on tourist destinations and travel packages.

### **Philoxenia Thessaliniki Greece**

November 2013

<http://www.helexpo.gr/default.aspx?lang=en-US&loc=1&page=2301>

Several international destinations will be represented in the exhibition, as well as Greek tourism companies from various industry sectors, thus attracting larger numbers of international trade visitors. At this exhibition Halkidiki can present itself separately from Greek main stand. It is a good way to meet local distributors and visitors.

## **Social Media**

As it was discovered earlier most of the tourists are searching for the information online when planning their trip. For this reason it is necessary to be visible, active, attractive, and attentive through the Internet platforms.

Social Media is a great way to keep in touch with tourists and distributors, share the news, photos, videos, and advertise. There are different services and tools provided, for example blogs, content sharing (YouTube), Social networks (Facebook), professional networks (LinkedIn), micro blogging (Twitter).

For the tourism industry social media and travel platform became indispensable. Travellers are talking about what they are going to do and researching from others who have done the same thing. They share and give advices, creating a mesh of diverse content across the web.

For Halkidiki it is not enough to have a great website, destination has to be talkative and take part, use many spaces online and identify own community. This way people will find the product without having to search, they could offer the feedback and give advices about destination development. They will trust more and even promote the product. Social media is a tool to create short-term buzz and long term trust and reputation, besides it will not cost anything.

## **PR. Press and news releases**

Halkidiki could issue small articles about any conducted events in order to attract press attention, which might lead to media coverage. Also encouraging celebrities to use tourism and hospitality products can result in considerable media coverage, and can therefore help to promote that particular product (Hudson 2008, 300). In year 2012 Angelina Jolie with her family had a yacht trip around Halkidiki peninsulas, however this fact was not well promoted. If it would be well promoted it could attract an attention of the potential travellers.

Halkidiki authorities should consider inviting press and tour operators for a familiarization trip to the destination in order for them to experience the best what destination has to offer.

Advertising should also be done in international travel related magazines, which are also sold in Eastern Europe such as Condé Nast travel, Luxury Travel Magazine, Departures, National Geographic, Just the Planet, Robb Report, and Art Voyage.

It should be agreed to project the brand personality of Halkidiki. The unique selling proposition and agreed brand identity should be reflected through the images, design style, colors and tone of voice used in advertising designs (UNWTO 2007, 62).

The “teaser” print ads could be placed in the Thessaloniki and Athens in local busses, taxis and rental cars to make people dream of Halkidiki. This way local people will see the ad every day when they go to work and from work or anywhere else. Give-aways of shirts and hats with logo could be organized. Electronic and paper newsletters, direct mail promotion and email information with events calendars should be used for the advertising campaign of Halkidiki.

It would be a good idea to involve young generation in development of Halkidiki region, for example website designer competitions within school and university students could be organized, competition for the best managing or marketing plan, for the best fountain design, and others.

## 10 Conclusion

It is true that the situation in whole Greece is depressing, prolonged economic crisis, government instability, constant change of the leaders, strikes, debt, default, unemployment, rising taxes and poverty... Decreasing number of arrivals and loss in market shares does not make the image look better.

Psychology of the local citizens is down; there is neither stability nor confidence in the future. But at the same time Greece is now having a defining moment in its long and glorious history, the decisions made now might affect the future, therefore before doing anything, all the necessary analysis and researches must be carried out. It is time to improve the reputation of Greece and create own image and brand name for Halkidiki. Greeks have to stop selling tourism and start managing impressions.

It has to be realized that tourism industry is the industry, which will work as a life vest for Greek economy.

Local authorities, DMOs, government, private business should change their way of thinking, instead of short-term profitability they have to start think long-term prosperity. All the organizations should work together for the same goal follow common rules and regulations. The public-private partnership and leadership, cooperate partnership should be established and community should be involved as well, because everything communicates.

Investing is needed to improve the infrastructure of the region; to make it more attractive and friendly. The needs of local inhabitants should not be ignored and the actions of the public and private organizations should not negatively affect a local way of living.

The employees have to be valuable; if they would feel great they would also do great things. If you pay nuts you get monkeys, this should be changed. The best employees should be hired, and all together they will raise the businesses and economy.

When all above discussed will be improved it is believed that Halkidiki will be new attractive destination for thousands of tourists from all around the world.



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## Attachments

### Interview with Mrs Sofia

1. How many people are coming to Halkidiki every year? Do you have statistics? Generally I would say that Halkidiki receives around 1.000.000 tourists every year for the past 15 years. The statistics are not precise because we get them from Thessaloniki's airport and they refer to passengers that they visit Halkidiki, Thessaloniki, Pieria, Pella, Imathia, Kilkis and Serres.

2. What is the time when they come, the months.

From May to October (most of the hotels are open during this period).

3. From where? Who are the tourists? Is there a profile of a tourist?

Mostly from Germany, Russia and Balkan countries. There are also tourists from Italy, Cyprus, Ukraine, Switzerland, UK, and Scandinavian countries. The majority is leisure targeted, families and couples.

4. Who do you target as tourist?

The one who visits Halkidiki for holidays (selects a hotel, camping or studio and relaxes by the beach including some small excursions or activities to enrich his program).

5. What are the potential markets? Existing markets?

Existing: Germany, Russia, Serbia, Bulgaria, Romania, UK, Cyprus, Greece (1<sup>st</sup> group), Ukraine, Poland, Austria, Switzerland, Czech, Hungary (2<sup>nd</sup> group – less arrivals).

Potential: Turkey, Italy, Norway, Sweden, Finland, Belarus, Lithuania, France (rising markets)

6. Why Halkidiki is not famous comparing to destinations like Creta or Mykonos for example?

Creta is not a prefectural unit but an island which has 4 prefectures which are promoted as one destination with specific culture. It has a huge number of available beds and 2 big airports. Halkidiki uses Thessaloniki's airport and is only one area.

Mykonos as well as Santorini has been promoted by the international jet setters since 1960 as the ultimate 'star' destination and it began a gay paradise. Gays control the movie and the fashion industries, so the promotion of the island was easier. Santorini has a unique architecture completely different than any other place in Greece.

7. As a Hotel Association what are you doing to promote Halkidiki?

We organize a marketing plan each year according to the financial, social, political facts worldwide and inside Europe. This strategy is tasked to the executives of the marketing department and is confirmed by Halkidiki Hotel Association's board.

8. How and where is the promotion of Halkidiki done general?

By a team of professionals who do the research about the existing and potential markets and follow the agreed strategy. This team does not only include the Greek associates but also P.R. offices abroad (so far there is an agreement with P.R. offices about the following countries: Turkey, Italy, Germany, Scandinavian countries).

Halkidiki participates in international tourism fairs with its own stand (about 11-15 fairs every year). It has a hospitality program for journalists and travel agents (fam trips and press trips). It produces promotional material and lately explores the potentials of internet and social media.

9. Who is responsible for promotion?

Since the beginning of 2012 the promotion of Halkidiki has been assigned to Halkidiki Tourism Organization which consists of all productive units: Halkidiki Hotel Association, Halkidiki Chamber, Federation of Halkidiki Studios, Halkidiki Prefecture, Camping Association. There is a board of the consisting elected members and a marketing team or associate expert professionals.

10. Can you say something about branding of Halkidiki?

For about 30 years now the name Halkidiki is synonymous to the best beaches in Greece. The unique UNESCO monument of Mount Athos is also an attractive and recognisable site all over the world. Plus, Halkidiki's ancient Stagira was the motherland of the philosopher Aristotle and therefore it is included in cultural guide tours and very well known to the educational community.

11. Is anything being done for developing Halkidiki as a destination?

The fractures of Halkidiki are improving every year. New hotels are built and the old ones are renovated, the road network is improving, the sites are organized by the Ministry of Culture.

12. What are the future predictions for Halkidiki tourism? How you see the destination in 5-10 years from now.

Halkidiki is not separated from Greece. Since 2010 that the crisis began, Greece has suffered by negative publicity which has effect the choice of the average traveler. All

Greek destinations are attached to the economy and the foreign policy of the country. If Greece stabilizes its position as a safe and affordable country for the visitors, then Halkidiki will have the opportunity of upgrading its fractures and services in order to claim a higher level of tourists.

13. How the political and economic situations in Greece affect tourism industry?

The hotel taxes, the fuels, the products have been increased but the global competition and the tour operators forced the hoteliers to reduce their prices. The financial situation combined with the fact that the bookings are less due to the negative publicity, led to lack of jobs or less money for the people who work in tourism and stopped all kinds of development.

14. What Experiences Halkidiki offers that you can't find anywhere else?

Crystal clear seawaters with sandy beaches awarded every year by Blue Flags.

Amazing natural environment, which combines beach, forest and mountain, ideal for natural activities (trekking, hiking).

For the men, a visit to Mount Athos's Monasteries is a lifetime experience. The ladies can enjoy a cruise next to the legendary monuments.

15. The airport of Thessaloniki is quite small and not comfortable. Generally there are not a lot of flights to Thessaloniki. As I have noticed there are problems with public transportation. Can it be improved and how?

Indeed the flights from/to Thessaloniki are less every year. This happens because of the global crisis and the fuel price. The airlines cannot afford half-empty flights any more so they cut them off. I think that for the next 3-5 years things concerning the airline industry will get worst.

Halkidiki is a very strong destination to visit by car. So, our plan is on one hand to approach the airline companies still operate with Thessaloniki's airport and on the other hand to promote the E10 European highway & Egnatia highway as an alternative.



## Attachment 2. Email Messages

Dear Madam/Sir,

I am student of HH Finland University in Tourism Specialization. Currently I am writing Diploma with the topic "How to create an awareness for Halkidiki tourism destination". My diploma needs a research and therefore I need your help.

Below you can find a link for questionnaire which I kindly ask you to put to your FB page. As people who Like your page are Greeks and might have been to Halkidiki they are the target audience for my research. The answers will be used for the studying purposes only.

Thank you so much, Your help is very much appreciated!

Best Regards,

Kate

Link: <http://www.webropolsurveys.com/S/4A03A497ACA1B0D6.par>

Dear Greece lovers!

Have you been to Halkidiki, Northern part of Greece? I am student from Finland University and I make a research in order to find out how to promote Halkidiki, how should it be developed and what should be changed there, to make it an attractive tourism destination.

Answers to this small questionnaire will make a difference, just follow the link!

I thank you all for your help and participation!

<http://www.webropolsurveys.com/Answer/SurveyParticipation.aspx?SDID=Fin564802&SID=d3dc8933-f37b-4c6f-ac02-357b6ddae446&dy=862338194>

### Attachment 3 Questionnaire

1.What is your age?

21 and Under

22 to 34

35 to 44

45 to 54

55 to 64

65 and Over

2.Where are you from?

4.Why you have chosen to visit Halkidiki , please specify

5.What was your favorite experience during your holiday in Halkidiki and why?

6.Looking back, is there anything you would have liked to have experienced differently? Anything missing?

7.What were your experiences with (public) transportation/rental car? (If applicable)

8.Where are you searching the information when planning your trip?

Make research online

Through the travel agency

Ask friends opinions

Through social media

Brochures

Other, please specify

9.By which means of transport will you go for the trip?

Plane

Railways

Ship

Bus

Private transport

10.In what kind of lodgings do you prefer to stay?

5 stars, luxurious

3-4 star hotels

All included or half board

Bed and breakfast

Camping

Other please specify

11.With who are you usually travelling?

Solo traveller

Couple, spouse

Family with children

Friends

12. What is the duration of your usual trip?

1 day

2 to 4 days

4 to 7 days

7 to 14 days

More than 2 weeks

13. In what kind of activities would you be interested to participate when going to Hal-kidiki?

- Activities connected to nature tourism (trekking, hiking, agriculture...)
- Attendance or participation at sporting events, adventure sports
- Arts, craft
- Entertainment
- Visiting friends or relatives
- Gambling
- Educational field trips
- Hunting and fishing
- Spiritual events and pilgrimages
- Day excursions
- Wine and dining
- Recreation, SPA
- Shopping,
- Historical interest
- Cultural interest

14 If you have any other comments or points you wish to add, please feel free to note them below.