

Competitive Positioning: A Strategy of Marketing Bali as Creative Destination

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Abstract

This paper tries to develop a model of competitive positioning of Bali as a creative destination as a strategy of anticipating the competition which is getting tighter. This paper aims at exploring the results of the studies related to competitive destination, image of destination, and discussing the indicators used to investigate destinations and to create models of development of creative tourist destinations as an attempt to win competition. It is expected that the result of the study will be useful to academicians to create concepts or models of creative tourist destinations. Models of destination can be divided be three such as CulFest, NatFest and CulNatFest.

Introduction

Globalization has created a new opportunity for the growth of tourism and the development of technology and transportation (Echter and Ritchie, 1991: 2). Globalization has also affected information and the speed of reservation. In addition, it has also made the travelling cost cheaper; as a result, more and more people are getting interested in visiting tourist destinations. The United Nation World Tourism Organization (UNWTO) (UNWTO, 2012: 1) has predicted that the world's tourism keep growing although there has been a slight decrease recently. It has been predicted that tourism has grown from three to four percent per year.

Moreover, it has been predicted that there will be a great increase in regard to the number of tourists visiting Asian and Pacific regions. Bali has been an international as well as domestic tourist destination. Since the Bali Bomb blast the number of tourists visiting Bali has fluctuated. Between 2004 and 2009 the number of tourists visiting Bali grew by 16%. From 1994 to 2010 the foreign tourists visiting Bali totaled 2,493,058 (Dinas Pariwisata Provinsi Bali, 2010: 22).

Research Problem, Objectives and Plan

The research problem is “the competition in tourism industry is extremely tight (Kozak, and Rimmington, 1999; Pike and Ryan, 2004: 2; Ritchie and Crouch, 2010). The consequence is that every country, region, destination, and city is in a competitive position in giving quality services to consumers or tourists. Based on the issues described above, this study aims at exploring and describing various phenomena taking place. The descriptive research tries to answer the questions starting with “who” and “how”, whereas the explorative research tries to answer the question starting with “what” (Jennings, 2009). The problems of the present study are formulated in the following questions; in what fields competition takes place in its relationship to the tourist destination positioning (in this case, Bali as the case); what strategies are applied to

marketing the tourist destinations; what indicators are used in the study of a tourist destination; and who does it.

Objectives: this paper has four objectives related to the tourist destination positioning. First, it aims at exploring the destination positioning; second, exploring the strategy used to marketing a tourist destination; investigating the indicator usually used to assess a tourist destination; four, describing the positioning model of a destination as a strategy used to market the tourist destination and winning the competition.

Research Plan: this is an initial study using a qualitative approach combined with a quantitative approach so that the results may be used in any further research dominantly using quantitative approach. It is hoped that this study will be a model for any further studies related to tourist destinations and may be applied in another location.

Literature review

Marketing as an Essential Thing

Tourism marketing has been defined by many researchers such as Kotler and Keller, 2009). They concluded that marketing is a highly important activity in every business or non business organization, educational institution, and tourist destination. According to Middleton and Clarke (2001), there are five propositions in marketing; they are 1) marketing is a management orientation or philosophy; 2) marketing comprises three main elements linked within a system of exchange transactions; 3) marketing is concerned with long term strategies and short term tactics; 4) marketing is especially relevant to analyzing the twenty-first century market condition and can make a major contribution to sustainable development; 5) marketing facilitates the efficient and effective conduct of business.

What Is Destination and Creative Destination?

Destination by Richardson and Fluker (2004:48) is a significant place visited during a trip. They emphasized destination from the perspective of the place and significance or adequacy. Destination should be beneficial for consumers as well as the available range of attributes, especially infrastructure and tourism facilities. While Kotler and Keller (2009) says that destination is a place with various forms of real or perceived by consumers. Various attributes of the expected and desired by travelers to a destination and at the same time the image of a tourist destination has been identified as factors that influence decision making by travelers (Mohamed, 2009). According to Pike (2008:24), destination is a place which is interesting for travelers to stay in.

According to Creative Cities Network (2006), downloaded on 7 July 2012, 3: 28 pm, creative tourism involves access to culture or history (less museums, more squares). It involves doing something experientially, and an authentic engagement in the real cultural life of the city. In a report prepared by the Creative Cities Network (2006), it is defined that “Creative Tourism” is a new generation of tourism; the first generation is “beach tourism” in which people come to a place for relaxation and leisure; and the second is “cultural tourism”, which is oriented towards museum and cultural tours. However, “Creative Tourism” involves more interactions in which the visitor has an educational, emotional, social and participative interaction with the place, its living culture, and the people who live there. They feel like citizens. The third generation requires that managers are also involved, recognizing the creativity within their city as resource, and providing new opportunities to meet the evolving interests of tourists.

The study entitled “Festival as Creative Destination” and conducted by Prentice and Andersen (2003) describes that a festival is one of the current and future tourist attractions, as exemplified by “Edinburg Festival” which is a combination of traditional arts and international arts termed as Contemporary Performing Arts. This festival could attract foreign tourists (Prentice and Andersen, 2003). This means that a creative destination is a destination which can create various unique tourist attractions using culture as the foundation. Developing a festival as a tourist attraction is one of the ways of increasing new markets of one destination.

Positioning as Strategy of Marketing Destination

According to Middleton and Clarke (2001: 189), marketing strategy is a dominant element in corporate strategy because of its focus on balancing delivery of customer satisfaction and value with sales – revenue generation. According to them, the strategy of marketing includes: (1) Goals and objectives (the goal and target which are intended to be achieved within a particular period of time) (2) Images, positioning and branding (how to create image for customers)(3) Strategies and programs (the actions done including the development of products and investment needed to achieve the goal and target).(4) Budget (the resources needed to achieve the goal)(5) Review and evaluation (how to evaluate what is achieved within the context of competition and external environment)

Positioning is the final part of a series of marketing strategy, which is made up of the elements of segmentation, targeting and positioning or STP Kotler and Keller Segmentation means dividing a market into more homogenous market segmentations which can be analyzed from the aspects of geography, psychology and behavior. Targeting means aiming at what markets can be fulfilled by a company or organization in a superior way (Kotler and Keller, 2009: 292).

The term positioning was firstly made popular by Al Ries and Jack Trout in 1972. They wrote a book entitled Positioning: the Battle for Your Mind (Tjiptono, 1997:109). Positioning is a strategy which tries to create a unique differentiation in the consumer mind so that the image of a more superior product than another is created (Tjiptono, 1997: 109-113).

Developing the Research and Hypothesis

Methodology

This initial study tried to explore various resources such as articles and books related to it. Then they were analyzed and conclusions were drawn. The results of the exploration were then compared to the results of the studies of culture-based tourism conducted by the Department of Tourism of Bali Province and the results of the surveys made by the students of the Faculty of Tourism concerning the Bali tourist attractions. It was expected that the results of the surveys could strengthen the results obtained from the exploration of the articles and books.

In this study, the judgment sampling method was used as, according to rules and usefulness, this method would suit the current explorative study (Cooper and Emory, 1997: 245). This method was stated to be a good method of selection, as it was frequently used by companies to test new products. According to the writer, this method was accurate to identify what the students' opinion about the culture-based tourism, motivations and tourist attractions.

This present study is a dominantly qualitative one, supported by quantitative method. It tried to answer what, why and who (Jenning, 2009). It was expected that the result of the study

could be used to build a new model for marketing a destination using culture as the basis of development.

Data analysis and model testing

The results of the exploration of the articles related to the present study such as destination competitiveness, destination image, positioning destination, and creative destination can be described as follows: a) Destination competitiveness (DC): (1) Tanja, et al (2011), Integrated Model of Destination Competitiveness, (2) Crouch, Geoffrey I (2007), “Modeling destination competitiveness. A survey and analysis of the impact of competitiveness attributes”.(3) Dwyer, and Kim (2003). “Destination Competitiveness: Determinants and Indicators”, (4) Enright, and Newton (2005). “Determinant of Tourism Destination Competitiveness in Asia Pacific: Competitiveness and Universality”.(5) Kim, and Dwyer (2003). “Destination Competitiveness and Bilateral Tourism Flows between Australia and Korea”, (6) Kim, and Wicks. (2010). “Rethinking Tourism Cluster Development Models for Global Competitiveness”. International CHRIE Conference – Refereed Track, 28, (7) Kozak, and Rimmington, (1999). “Measuring Tourist Destination Competitiveness: Conceptual Consideration and Empirical Findings, (8) Mazanec, et al (2007). “Tourism Destination Competitiveness: from Definition to Explanation?”, (9) Mohamed, et al (2009). “Measuring the Competitiveness of Malaysian Tourism Cities through the Application of Multi Dimensional Scaling Analysis”.(10) Ritchie and Crouch (2010). “A Model of Destination Competitiveness/Sustainability: Brazilian Perspectives”.

b) Destination Image (DI): (1) Aksoy, and Kiyci (2011). “A destination image as a type of image and measuring destination image in tourism (Amasra Case)”, (2) Altintas, et al (2010), “Destination Images of visitors attending to travel expo in key markets of Turkey”.(3) Echer, and Ritchie (1991). “The Meaning and Measurement of Destination Image”.(4) Govers, and Go (2003). “Deconstructing Destination Image in the Information Age”.(5) Kastenhoiz, (2010). “Cultural Proximity as a Determinant of Destination Image”.(6) Lertputtarak, (2012). “The Relationship between Destination Image, Food Image, and Revisiting Pattaya, Thailand”.(7) Lopez (2011). “Destination Image: Origin, Development and Implications”. (8) Rodrigues, et al (2011) “A Multidisciplinary Approach on Destination Image Construct.”, (9) Vazquez, et al (2005). “Role of Bulgarian Country Image as International Rural Tourism Destination”.(10) Stancioiu, et al (2011). “The Image of the Destination – a Supporting Element in the Development of the Regional Tourism Brand Study Case: Muntenia.

c) Destination positioning such as : (1) Njuguna, (2009). “A Strategy Positioning for Sustainable Competitive Advantage: An Organizational Approach”, (2) Pike, and Ryan (2004). “Destination Positioning Analysis through a Comparison of Cognitive, Affective, and Conative Perception, (3) Sainaghi, and Canali (2011) Exploring the effects of destination’s positioning on hotel’s performance. (d) Creative Destination: Prentice, and Andersen, (2003). “Festival as Creative Destination”. The result of the exploration of 26 articles published from 1999 to 2011 showed that the study of the strategy of marketing through the image of destination was highly important.

The indicators frequently used to evaluate a destination are the results of the studies conducted by Echtner and Ritchie (2003), from Functional (physical, measurable to Psychological (abstract) such as: 1) Scenery/Natural attraction, 2) Cost/Price levels, 3) Climate, 4) Tourist sites/activities, 5) Nightlife and entertainment, 6) Sports facilities/activities, 7)

National park/wilderness activities, 8) Local infrastructure/Transportation, 9) Architecture/building, 10) Historical site/museum, 11) Beach, 12) Shopping facilities, 13) Accommodation facilities, 14) Cities, 15) Fair, Exhibits, Festival, 16) Facilities for information and tours, 17) Crowdedness, 18) Cleanliness, 19) Personal safety, 20) Economic, 21) development/AffluenceAccesssibility, 22) Degree of urbanization, 23) Extent of commercialization, 24) Political stability, 25) Hospitality/Friendliness/Receptiveness, 26) Different customs/culture, 27) Different cuisine/food and drink, 28) Restful/relaxing, 29) Atmosphere(familiar vs exotic), 30) Opportunity for adventure, 31) Opportunity to increase knowledge, 32) Family or adult oriented, 33) Quality of service, and 34) reputation

The study conducted by Mohamed et al. (2009) evaluated 11 Malaysian cities such as Kuching, Bahru, Kinabalu, Kuala Terengganu, Penang, Kuala Lumpur, Cameron Highland, Lumut, Taiping and Port Dikson. He used five variables such as 1) Tourist attraction; 2) Facilities and services; 3) Infrastructure; 4) Cost; 5) Hospitality and 40 attributes or indicators. The result showed that Kuching was wonderful as a cultural destination (92%), as a natural attraction (88%), as a city of interesting local arts and crafts (86%). Compared to Kuala Lumpur, the image was 1) a shopping paradise (85%), 2) as a city of good nightlife and entertainment (73, 4%), and as a city of skyscrapers (71%). The respondents were foreign and domestic tourists, tourism stakeholders, tourism academicians and tourism postgraduate students based on an online and administrative survey.

Culture as Foundation of Creative Destination

The issues of innovation and creativeness have been seriously paid attention to in different parts of the world including Indonesia and Bali, proved by the establishment of the Ministry of Creative Economy. The studies conducted within the context of tourism by Covarrubias (1972); Jaya (2002); Picard (2006); Jaya (2002) observed Bali within the contexts of nature, culture and tourism. Furthermore, Picard (2006) referred to Bali as the last paradise, the island of naked chests, the island of artists, the island of Gods and bad spirits, and the lost paradise (Picard, 2006: 34-46). He reaffirmed that the image of Bali was highly determined by the Balinese culture. The study conducted by Mohamed (2009) discussed that culture was one of the important elements of the current development of tourism in Malaysia. Olsen and Timothy (2006) observed a new trend from the consumers who liked spirituality as a tourist attraction as the continuation of a religious journey.

Balinese Students' Understanding of a destination of culture-based tourism

The result of the study investigating 50 students coming from different parts of Indonesia showed that Bali was still a culture-based tourist attraction as well as a nature-based tourism or the combination of the two for the students. However, according to them, festivals did not become tourist attractions yet as they were not popular yet. In addition, their marketing was separated from the other packaged activities such as staying overnight, flight packages and so forth. The result of the survey can be described as follows.

47 students (94%) stated that they understood what was meant by culture-based tourism; however, 3 (6%) stated that they did not understand it. This meant that the students understood what was meant by culture-based tourism as the European and Australian tourists who also liked culture-based tourism although there was a decrease in regard to it. To the stakeholders, the students were the potential market and important element used to educate and develop the people's understanding of the culture-based tourism both theoretically and empirically.

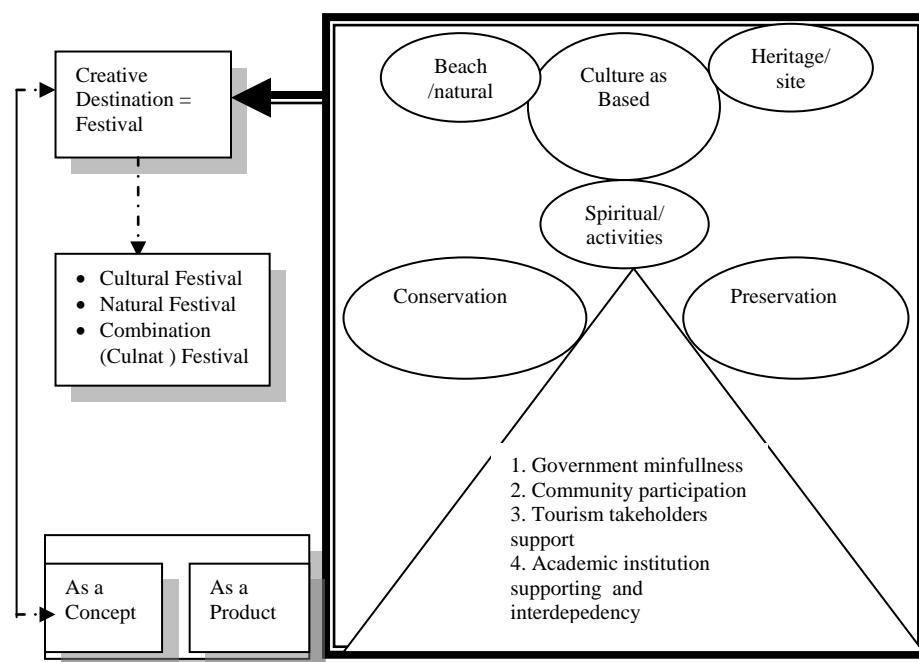
The understanding of culture-based tourism attraction was not only within the context of definition but also within the practical context as it was related to the attractions that would be visited. The culture-based attraction within the context of the number of tourists in the last three years can be described as follows.(a) 14 students (28%) stated that they had visited the culture-based tourist destinations between one and three times;(b). 18 students (36%) stated they had visited the culture-based tourist destinations between 4 and six times within the last three years;(c) 4 students (6%) stated that they had visited the culture-based tourist destinations between 7 and 9 times;(d) 14 students (28%) stated that they had visited the culture-based tourist destinations more than 10 times.

As comparation in 2010 the Department of Tourism of Bali Province stated that the 35.9% of the domestic tourists visiting Bali liked culture and 35.4% liked the beauty of the nature. Based on the data obtained in 2005, 32.75% of the tourists liked culture and 22.18% liked the nature. This meant that there was a change with respect to the behavior of the students who liked the nature and culture. The result of the present study was identical with the one conducted in Australia and Europe that culture as main attracted tourist visiting of destination (McDonnell, and Burton, 2005).

Model Development of Creative Destination.

The model of development of creative destination can be described as follows.The creative tourist destination could be based on culture, which then could be developed into a unique tourist attraction or the combination of the nature, heritage and spiritualism; however, attention was still paid to preservation. All the stakeholders such as the government, the private community and the higher-educational institutions participated in supporting the development of creative tourism destinations, which could be in the form of concepts and touchable and marketable products for foreign and domestic tourists. Any kinds of festival resulted by creative destination such as: Cultural festival (CulFest), Natural Festival (NatFest) and Combination (CulnatFest)

Figure 1. Model of Bali as Creative Destination



Conclusions

Based on the results of the study as discussed above, several conclusions could be drawn as follows. Any study related to tourism marketing in general and tourist destinations in particular are highly important. Many researchers have conducted the studies of image as one of the strategies which can be used to attract tourists to come to a tourist destination.

Several indicators are used to evaluate destinations with various potentials. The model creative destinations are made based on the concept of culture-based creative tourism. Bali has been one of creative destinations as it has developed culture-based tourism. In addition, various festivals have been developed such as Bali Art Festival, Kite Festival, Food Festival, Agricultural Festival, Nusa Dua Festival, Sanur Festival, Kuta Festival, Mask Festival, Barong Festival, Legian Festival and so forth. The Model of Creative Destination can be made as follows ; Cultural Festival (CulFest), Natural Festival (NatFest), and combination of cultural and natural (CulNatFest).

Limitation and Further research

It is expected that this initial study may be used as a reference referred to by further research using quantitative method with a larger number of sample, and random method sampling so that the conclusions drawn will be general. Being a qualitative study, the conclusion is only limited to the case of Bali. As the creative destination is based on culture used as a tourist attraction in different parts of the world, the implication of the present study may be part of the global tourism activities.

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