

SOCIAL RESPONSIBILITY OF THE BULGARIAN TOURIST ENTERPRISES IN THE CONTEXT OF CONSUMER DEMAND

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Abstract

Social responsibility is a concept that reflects the quality of relationships between an organization (through managers) and society. It represents a set of attitudes, decisions and actions that are oriented towards society.

The three key figures in the market-driven economy are: producers (organization), consumers and state. If the mindset, decisions and actions of consumers and state coincide with the attitudes, decisions and actions of the organization, consumers and state accept that it is a socially responsible organization, and vice versa [1].

The aim of this paper is to discuss the social responsibility of Bulgarian tourism enterprises. To achieve this goal the trends of tourism demands and the type of social responsibility have been analyzed.

In conclusion the accent is on the measure to achieve the social responsibility in the tourism field.

Key words: social responsibility, tourism, consumer demand.

The social responsibility of the organization is something that is evaluated by others. Corporate Social Responsibility [2] (CSR) can make a significant contribution towards sustainability. According to the definition of the European Commission,

CSR is “a concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis”. CSR is part of the Europe 2020 strategy for smart, sustainable and inclusive growth (European Commission). It is important to point out that CSR measures are voluntary and should therefore exceed legal regulations.

The question many leaders ask is what they have to do to be considered socially responsible. The answer to this question can be found in the following three aspects, which show the nature of social responsibility.

1. Social responsibility, perceived as social obligation of the organization.
2. Social responsibility, perceived as social response of the organization.
3. Social responsibility, perceived as social activity of the organization.

Social responsibility, perceived as a social obligation

The problem of the social responsibility of organizations has attracted the attention of specialists and society for a long time, but it was not until the 1950s when the perception, that the only social responsibility of the management was that organizations would receive maximum profits, was questioned [3].

That marks the emergence of the first work on the topic of "Social Responsibility of the Businessman" by Howard R. Bowen, which examines how the concept of social responsibility can be attributed to business, and the realization of wider social goals in making business decisions is capable of contributing to socio-economic benefits to society.

The discussion that followed shaped up two diametrically opposed approaches: economic and socio-economic.

The most active supporter of the economic approach (now considered classical) is Milton Friedman, a Nobel laureate of economics. According to his theory, most of the managers are specialists in business control, do not own a business, and are hired by the owners to manage their companies. Based on this, Friedman concludes that

managers are responsible only to their company shareholders and claims that there is only one social responsibility of the organization in the business – to use their resources, to bring them into activities designed to increase profits according to the rules of the game, participating in open competition.

The advocates of the socio-economic approach argue on the base of management being responsible not only for gaining profit but also for protecting and enhancing the well-being of the society in which this organization operates. They note that forming of organizations can only happen through the permission of the state, and only the state can revoke that right.

In this regard, organizations are not an independent subject of the business, which is responsible exclusively to its shareholders. Organizations are also responsible to the general public, which has consented to their creation. And that implies social responsibility beyond the limits of profit-making, by protecting and improving the well-being of society.

As the main drawback of the classic approach, Friedman's opponents also point to the short-term outlook for the organization's profitability.

In addition to the two approaches, there is also a moderate trend, according to which the organization is socially responsible if its attitudes, decisions and actions are oriented towards the creation of goods for profits, according to the rules established by law.

Social responsibility, perceived as a social response

The social response is the compliance of the organization (its leaders) with the social norms, values and expectations of society. These are not only the expectations for the production of goods, but also the expectation of covering part of society's expenses for environment protection, ecology, and social spending, as well as the organization's expectations to participate in solving social problems that society find difficult to tackle.

The social response is a set of voluntary, non-compulsive attitudes, decisions and actions that are altruistic in their nature. It is a response to what troubles society, but for some reasons society can't handle on its own. Famous researchers believe that an organization can not qualify as socially responsible if it adheres strictly to the minimum requirements of the law. Social response requires that these minimum requirements be exceeded [4].

Social responsibility, perceived as social activity

Social activity is this aspect of social responsibility, according to which the organization has an attitude, makes decisions and performs actions that are proactive and ahead of events. For example, it identifies needs and does its best to satisfy them through production, through communications with public groups and government bodies.

The socially active organization and its managers actively seek ways to solve a social problem that exists – at a local school, university, homes for children and the elderly, kindergartens, cultural monuments, environmental protection, etc.

The assessment of managers and organizations about whether they are socially responsible depends on their attitudes, decisions and actions regarding their social responsibilities, social responses and social activities, and whether the attitudes, decisions and actions coincide with the attitudes, decisions and actions of consumers and society.

The definition of social responsibility implies the obligation and responsibility of the management of the organization to take decisions and carry out actions that increase the level of well-being and are in the interest of both the society and the company.

Every company inside or outside the organization is a group of interest that has certain requirements for the company's performance. The most important groups of

interest without whom an organization can not exist are investors, shareholders, employees, buyers and suppliers.

Today, there are still different views on what organizational policy should be in the public environment, for a company to be considered socially responsible.

According to some of them, the organization is socially responsible if it increases profits without violating laws and regulations for state regulation. Only economic goals should therefore be pursued.

According to others, the organization, in addition to economic responsibility, must take account of the human and social aspects of the impact of its business on the workers, consumers and local communities in which it operates, and also cooperate to a certain positive contribution to the solution of the social problems of society as a whole. Therefore, the public expects the business not only to achieve high economic results but also significant achievements in terms of the social objectives of society [5, 6].

Major trends in tourist demand in Bulgaria

The first major trend, on which we should focus is the substantive drop of the foreign tourists expenses in our country for the past ten years; This is mostly a result from the fact that most tourists visiting our country have low income. The reasons which lead to unfavorable structure in the quality of the tourists in the country are the weak position of the Bulgarian hoteliers and restaurateurs on the international market, the inability of the complex tourist product to meet the needs of an ever – demanding tourist ratio price – quality and many others. To systematically increase the spending of the tourists in the future it is necessary to improve the quality of the Bulgarian tourist product, its attractiveness and, not least the cost – quality.

The second trend, which can be pointed out is a vast increase of Bulgarian tourists, at the expense of reduction of foreign tourist arrivals last summer (according to the magazine Tourist Markets, based on data from NSI). As a result of the

transition, and as a result of deepening crisis in the Russian economy, Bulgaria lost its excellent position on the Russian, Polish and some other former socialist markets. Programmed tourist travels from the former CMEA is in the past, and the lack of those tourists in Bulgarian resorts (especially last summer) is already a fact. Poorly conducted, inappropriate marketing activities on these markets, lead to exclusion of our country from these markets and turn the Bulgarian tourist product from synonymous of quality into the exact opposite. Moreover losing markets did not lead to winning new, as the competition on the international level is extremely high, and Bulgaria as a tourist destination (at least at this stage) has low competitiveness. Lubrication competition of Turkey, Greece, Croatia in tourism, led to more – to avoid massive Bulgaria by foreign tourists.

Interesting trend is the increasing number of Germans involved in organized travel in the country. At this point it's beneficial for the Bulgarian tourist season because these revenues have become an important source of capital, which was partly redirected to investments into upgrading and renovation of hotel and restaurant facilities, and infrastructure of our resort villages. But do not forget that this increase is not a result from our tourist offer, but mainly from force majeure in neighboring countries – earthquakes and ethnic conflict in Turkey, the stagnation in Croatia and Greece, as well as continuous strikes into the latter. This is the reason why the tourist flow was redirected by the foreign tour operators to our country.

Next trend on which we will stop our attention is the significant shortening of the season in sea recreational tourism, as a whole and its individual components – the season wings, its peak, etc. This unfavorable trend comes from the reduced ability of the Bulgarian tourist companies to attract users for their product or service. For example, Turkey has not 121 summer days, like us, but about 150. Thus it is necessary to combine the efforts of all units of our tourist offer, in order to achieve sustained, systematic increase in the season. The trend for the next few years is most likely to be disadvantageous because the reforms in the Bulgarian tourism can not be

performed quickly and efficiently, and this will inevitably lead to further shortening of the summer, as well as the other seasons in the country.

Reducing the average length of stay of tourists in the country; the average length is one, two or three weeks, the former being predominant, and the latter – individual cases not because of the good conditions for recreation but because of the tourist loyalty. Another factor influencing on shortening the average stay in our country is that transit travel of foreign nationals are also taken into account and they are largest share of the total – over 60%.

Increasing the share of recreational sea tourism at the expense of the mountain, spa and all other subtypes of tourism developed in our country. This trend is result from the fact that among the global tourist interest predominates the one, directly related to the marine recreational tourism. Researches show that the tourists interest is focused on sea beaches – about 32%, urban centers – 20%, route – 13%, nature and village environment – 9%, mountains in the summer – 7% mountains in the winter – 6% and places offering summer sports – around 3%. In this respect Bulgaria is oriented correctly towards the tourist interest. Although the sea is preferred by the majority we must not forget that in our country there are many mountains, suitable for both leisure and winter sports. The combination between favorable economic conditions and natural environment (which undoubtedly exists) will lead to effective development of mountain tourism, which in essence will lead to capital inflows, increase employment of local working population, improve the infrastructure of the region, attract – large numbers of tourists for recreational marine tourism. Well-known fact is that Bulgaria is on second place worldwide in richness of mineral and thermal springs, which is a prerequisite for development of balneology and sea treatments.

Another interesting trend is continuously increasing average age of tourists traveling abroad, and interest in – remote tourist destinations. In this respect, the wealth of our country of beautiful mountains, mineral springs, green forests and clean air are a prerequisite for the successful development of mountain spa tourism. But for

its proper development a comprehensive tourist product should be offered, one that meets not only the requirements of tourists, but is also environmentally viable.

Recently we've been witnessing a clear tendency for concentration of tourism demand in countries with high living standard. About 63% of world tourist flow is concentrated in Germany, USA, UK, Italy, France, Sweden, Russia and others. This should provoke the Bulgarian tourist units for – high participation on the markets of these countries. The goal is not only to attract tourists from these countries who have decided to travel abroad, but also those who are reluctant or hesitant to the trip, and the tourist destination itself.

Next trend in tourism development in Bulgaria in recent years is the uncontrolled building. This trend began to really become a problem in terms of a possible further loss of the natural beauty of some of the biggest resorts. A typical example is our famous resort Sunny Beach. Thus, taking the right marketing decisions for tourism development in Bulgaria and their implementation in good faith, can help to stop the negative trends in the development of Bulgarian tourism and bring back the good image of the country on the international tourism markets.

Another trend that could be pointed out on the international market place is that the economic conditions reduce the purchasing power of wide range consumers of tourist products and services. Thus, the price becomes an important criteria for the decision to travel. Parallel observed are those populations with a secure income seeking not only high quality but low quality tourist product. This leads to the purchase of a large number of very expensive and cheap trips abroad. The result is the emergence of tourist unpredictable consumer behavior. However, tourists do not want to be just a part of the total tourist group without a name and personality. The tourist desires and requires individual care. The acquisition of experience in a short time determined the usefulness of supply. This means demand for quality services for a short time with no limitations in terms of space, in worldwide.

In modern conditions solvency, type and volume of tourism demand in social groups are not uni-values, a factor which played an important role in decision-

making. Reducing the retirement age and working week, increasing leisure time leads to more – large number of potential tourists who have limited but sufficient funds for travel. Parallel to this well-qualified individuals increase their working hours and reduce free time. Hence the result – increasing number of less wealthy tourists spend more money for and during the trip while the middle class buy – cheap travel. This determines the increases in sales of last minute trips abroad.

Responding to changes in tourism demand – most tourist offers focus on preserving and expanding its market presence by offering new, diverse, specialized services and goods by improving the relationship with end users, by improving interoperability between different participants in shaping the overall tourist product. Unfortunately, this trend is not observed in Bulgaria, but the opposite: Bulgarian tourist enterprises passively participate on the international tourist market, weaken their positions, sell trips under cost to international tour operators, do not assist in solving problems and even interfere with each other. The result is increasingly reducing the spending ability of the tourists coming in our country or even the absence of the latter.

More goods and services are offered on the international market, including tourism, which emphasize on the personal preferences of tourists. Special attention is paid to the so-called nature – friendly products due to two main reasons: formed as a mass phenomenon increasingly strong public opinion for the protection of nature and against the non environmentally friendly products and for the high quality characteristics of these products, – their high competitiveness and a source for attracting other tourists. Symbols of these ecological tourist products are Blue Flag, Golden Globe, Green Key and others.

Individualisation of travel on one hand, and diversification of tourist offers on the other, impose a new way of communication between vendor and client. This leads to an increase in direct sales. The era of information technology defines the appearance and development of global distribution systems. Computer tourist guide will likely serve as a travel agent directly and will carry out the sale of integrated

tourist product. The new information technologies besides information, reservation and sales provide opportunities for non-cash payment method.

The fact that the tourist chooses an individual way of travel while being financially challenged, highlights an alternative combination of a product that is both affordable and at the same time has high qualities. Aggressive pricing is becoming a very important tool of market conduct of tourism enterprises. This has led recently to the emergence of market incentives for customers of tour operators such as special discounts for early enrollment in organized travel for the purpose of minimizing the impact of the last minute travels. This way the tourist saves from the cost of the trip without that affecting the quality of the product offered. The oligopoly tourist market has led to the need of reducing risks of operation, marketing and management, forcing travel companies to improve relations among themselves. For example two transnational companies remise their market to foreign affiliate, thereby parent companies are focusing their efforts to break into another market. This increases their competitiveness, and on the other hand, the market becomes less accessible for new travel agents.

Conclusion

Corporate Social Responsibility measures of tourism businesses comprise the responsible use of natural and cultural resources; the minimisation of pollution and waste; the conservation of landscapes, biodiversity and cultural heritage; fair and responsible treatment of employees, suppliers and guests; fair use of local products and services; as well as involvement and cooperation with local communities so as to improve the quality of life of local people.

The concept of Corporate Social Responsibility has become a central part of corporate strategies for tourism business. Environmental protection, fair working conditions for employees and contributing to the welfare of local communities are key issues in the strategies of international tourism corporations. Tourism businesses

have strong relationships to the local communities in which they are operating; therefore, they also have a strong influence on the socio-economic development of these regions. For customers as well as for employees, the integration of CSR strategies is becoming more and more important. To operate successfully in the future it will be necessary for tourism businesses to continuously implement and successfully establish CSR strategies in the long term.

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