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**"Global Challenges and Prospects of the Modern Economic Development"****SMM COMPETITIVE ADVANTAGES WITHIN**  
**CONTEMPORARY TOURISM MARKET**

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Moscow, Russia, avsmirnova19@mail.ru***Abstract***

This paper evaluates and analyses the role and importance of social media means in marketing within a large scope of different kinds of communication, that tourist companies have on it is disposal. SMM is used nowadays by a lot of companies in different markets. The reason is – low price, the ability to capture a large number of customers, segmenting and targeting the audience, promoting brand image, launching blogs, working with communities, participating in forum and conference discussions, working with cites, etc. Definitely, digital means of communication opened new opportunities for the tourist market, such as destination marketing, co-branding with other industries, working with big data, collecting, processing and managing a different kind of information. A lot of functions could not even be fulfilled without digitalization, that creates a new tourist market paradigm, that means all market players nowadays are digital, including customers, their needs, wishes, social environment. Still in this research, it has to be stated that ethnical, cultural peculiarities of tourist customers have to be taken into consideration and decision-making process. Conventional means of promotion are still very popular and in use. Our observation and research demonstrate that the following means of communications such as word of mouth, TV, publicity, sponsorship and others are used by tourist companies and very fruitful. The problem that researched in this paper – finding ways of optimisation of different communication opportunities, online and offline and create integration among them that could lead to achieving marketing goals.

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## 1. Introduction

Tourism market is considered to be one of the most profitable at present. Emerging countries especially are working hard to improve the tourism climate and elevate investment opportunities. The rate of tourism growth depends on the effective creation of networks with a high level of cooperation and subscribers. All kinds of marketing activities are taking place within tourist markets on national and international levels. The tourist company should adopt various marketing research tools, including digital technologies, neuromarketing, etc. In order to understand its customer's needs, preferences and make the best strategic decision. Marketing strategies within tourist market needs to be target-oriented, specific, adjusted for numerous factors of the internal and external environment and constantly changing preferences of its customers, including the latest technological achievements.

Tourism business worldwide is developing rapidly. Its infrastructure is going under a lot of changes. There are nearly 1.4 billion of total international tourist arrivals in 2018. According to the Report, made by the World Tourism Organization – UNWTO International Tourism Highlights, 2019 (UNWTO, 2019) the market growth is estimated 5% in comparison with 2017. Tourism world nowadays does not cover just tour operators and travellers. It covers directly or indirectly almost all sectors of the economy – transportation systems, accommodation, governmental organizations, restaurants, banking, insurances, it involves millions of people in the world from bar staff to the insurance industry, from guides to flight attendants. Truthfully, it is complicated to imagine the number of people, involved in the travel business globally.

## 2. Problem Statement

For several years, the tourism sector has been facing increased competition especially with new tourist destinations worldwide, and a strong increase in the number of tourists. It happened with the growth of Internet influence, globalization, and glocalization. (Glocalization means – when companies take global principles of the world economy as a driver but act locally, considering all aspects of authenticity). Travel business, as well as all businesses, are coming digital; all aspects of marketing activity are going through digitalization, including research, channelling, communications, and even tourist product design.

Tourist operators are going through a transition as well, changing organizational structure, working out different patterns dealing with clients, even tourist product presentation requires the latest technologies and innovations. Considering the fact that customers nowadays are digital customers as well, it is crucial to understand their changing portrait, needs, preferences, buying behaviour and influences (factors influencing their buying decisions). AIDA Model (Kalinina, 2017) that characterizes customer's behaviour from A (awareness) to A (Action) through I (Interest) & D (Desire) is changing as well. The purpose of tourist operators is - to shorten or even delete time required for Interest and Desire and push the client directly from Awareness to Actions. It's important to realize within a world of extremely high competition, that the purpose is not just to sell, but to sell at least twice (another Action), pushing your customer to loyalty and advocacy. (Advocacy in this paper means partnership with the company and acting on the same level, advertising and spreading information in cooperation with the tour operator).

### **3. Research Questions**

Research questions are – what's the role and position of «digital means of advertising» in front of traditional, how much influence do traditional means of advertising have? Can digital substitute traditional means of advertising in the nearest future, how to strengthen communication relations with customers, provide with extra value, increase loyalty, introduce long-life value proposition? High level of competition internationally encourages customers to be more selective, fastidious, and choosy. Tourism market consumers are also becoming more and more informed, knowledgeable and demanding. They want personalized attitudes towards themselves, they want to be involved in the production process (co-production (Kalinina, 2016) and set up a tourist proposal for themselves together with the tour operator (seller).

### **4. Purpose of the Study**

In the research study, it's important to find out how new forms of digital, most of all SMM means of communication cooperate with traditional? Can the new ones substitute traditional, can we rely on new technologies, new advertising, digital channelling, online value proposition? Everyone in tourism industry especially talks about SMM and social networks. The purpose is to analyze the role and importance of digital and traditional tools of communication and the level of cooperation between them.

### **5. Research Methods**

Research methodology used is:

- Experience – personal experience through the work as a tour agent for the Russian tour operator «Montparnasse-Tour», also acting as a private tourist, going through all those procedures starting from collecting information, choosing destinations and kind of travel (leisure, education, medical treatment, excursion, just information etc.), evaluating price and propositions,
- Cabinet Research (or Secondary information) – collecting and processing data, learning the market, competitions, main players behavior,
- Statistics – working with figures, analyzing the most profitable destinations for the company that are more popular among clients.
- Field research. One of the field research method, which was used is Observation – learning curve examining customer's behavior, decision-making process, working out so-called «Truth Moments» (Hemann & Burbary, 2018) that requires more time for the client, but at the same time – most crucial for the decision-making process.

### **6. Findings**

The research brought to the idea, that despite great use and influence of online communication and marketing, at the same time all traditional forms of advertising still of great demand. The appearance of the Internet had a major impact on the marketing world both for providers and consumers and the tourist business was no exception (Standing, Tang-Taye, & Boyer, 2014). Also, as stated above, the Internet dramatically changed the tourism market, all market players, including sellers and buyers, must behave

differently. At the beginning of the XXI century, digital forms of advertising appeared at the market with newer prospects for reaching their target audiences. Visitor reviews, media files and recommendations have brought tourism destinations much closer to potential travelers (Kiráľová & Pavlíčka, 2015). Travel business includes and provides more services with all peculiar properties, covers major infrastructure than other businesses. That fact allows speaking about different forms of advertising and promotion which could affect customers. It happened that new communication tools started competing with traditional, which were losing their competitiveness. Still, it became evident soon that digital tools, such as video, TV and Radio advertising could not replace traditional ones. Standard marketing forms are still very successful and influential.

The Internet has experienced significant growth in recent decades in the public and private sectors. Consumers and sellers use the Internet as a tool to facilitate the search for information or as a means for the purchase and sale of goods and services. Advertising on the Internet allows tourist company to stimulate demand for services among subscribers and Internet users. Surfing the Internet, potential customers could decide to make a purchase (deferred demand), which acts on the level of Desire (see above). It follows with an increase in sales, market share and brand image. Also, it promotes consumer properties of goods and services in social networks. Thus, Internet advertising creates new effective parallel sales channels which haven't been affordable before.

For tourism market enterprises the Internet is making tourism and travels available to a larger number of tourists at relatively low cost. The Internet also provides a tool for communication between tourist provider, intermediaries, and final consumers. Tourism market operators are seeking to develop a presence on the Internet to gain acceptance in a global tourism market and add value to their traditional business. Nowadays almost any commercial company (travel company) promotes its activities through the Internet for the efficiency of business processes. This kind of marketing is going through «commoditization» process. All the companies are doing the same and it's not easy to make a unique selling proposition. Everybody uses the same resources and have a similar level of background and knowledge. There are different forms of Internet promotion for companies as websites, blogs, pages in social media. The most relevant worldwide social media platforms for tourism business include Facebook, Instagram and YouTube. Presence on that social media platforms is not only about trend and promotion (Kaur, 2017). Creation a web-resource and filling it with relevant information is still not enough for reaching guarantee that volume of sales will increase. Therefore, the company should not just create an Internet resource, but also should participate in the social media, should place competent advertising on the Internet for promotion, trying to concentrate, for instance, on the market of unique visitors with specific needs.

Twenty years ago, Internet advertising was concentrating exclusively on mailing to email, whereas at the end of the second decade of XXI century there are dozens of types of online advertising. Professional digital-advertising agencies provide the most effective ways of advertising, applying the latest technological achievements, fulfilling coverage to any audience with the highest conversion. Digital marketing – as a new paradigm of the contemporary world became a significant tool for any form of contemporary business, despite its type or size. Modern customers have instant access to any available tourist information about prices, latest offers and propositions. It also changed the pattern working with

the old and new market. The increasing role of e-marketing has influenced how businesses promote their products and services to both existing and new customers (Kaur, 2017). Internet advertising nowadays is the most effective, fast and simple method of attracting customers' attention to business. Digital marketing is also the focus of all efforts in terms of adaptation and development of marketing strategies in virtual spaces: web, social media etc. Digital marketing is segmented into three main categories: paid content (pay-per-click advertisement), owned content (social media pages, company website) and earned content (user reviews) (Knoblich, Martin, Nash, & Stansbie, 2015). The most affordable way to find your target audience is to run ads on the Internet. Therefore, a consumer-driven strategy tourist offers is more interesting. Tourism market companies carefully choose the strategy that ensures the best proximity of this category of customers than to launch general advertising companies on different social media. In conditions of high market competition, companies are fighting for popularity within the Internet, trying to hit the top on the first page in search engines like Yandex and Google and using various methods of promotion (Bychkova, 2016).

The Internet helps customers in gaining information about the reliant market players, tour operators, all types of world destinations. Being one of the marketing tools, Internet advertising informs or convinces the customer to buy a product, which affects the behavior of the consumer and stimulates sales. Social networks allow travel business companies to interact directly with customers via different Internet resources and to evaluate services and track customers' opinions and reviews. The phenomenon of social media is that they let the business contact current and potential customers at relatively low cost and higher levels of communication efficiency (Kirářová & Pavlířeka, 2015). Social media can assist the travel business company not only to penetrate but also distinguish from the strong rivals on the global tourist market. The company will be successfully noticeable with a well-built and well-developed marketing strategy and correctly defined the platform for the target audience. A social media platform can be as a content community, blog, public page as a personal account. Social media platforms should constantly work, generate content the target audience needs. Even with overcrowded and oversaturated social media market, there are some competitive advantages and successful schemes which are keep working (Bychkova, 2016).

More and more travel companies shift their conventional communication strategy (company strategy is designed to build effective communication B2C or B2B) based on traditional advertising tools – TV, radio, billboards, printed media etc. towards digital resources. The purpose of sales promotion and advertising travel services are to increase in sales through online-resources – on the Internet and offline – through traditional sales channels as communication in points of sales. Social media advantages and effectiveness to travel business companies can be displayed in an increase brand awareness and engagement, word of mouth, indicators of subscribers and liking numbers, trust and validation (Kalinina, 2017).

Word of mouth, the oldest way of promotion still works in travel market field. The emergence of social media platforms on the Internet has enabled people to share their experiences publicly. Even if advanced consumers are well informed that information on the Internet can be falsified, they attempt to act and make decisions about purchases focusing on the opinion of people they trust. Thus, negative reviews could have a negative impact on the tourism business. Nowadays the information on social networks is considered by users (potential customers) as an important source that they trust, and which

help them in making decisions concerning possible purchases (travels). Due to the experiential nature of travel product potential tourist (customer) behavior have already tended to trust experiences and reviews of other travellers more than to the owner of a virtual social network account. Social media play a vital role as the customer demand and the seller supply in the tourism economy. Travel companies try to perfect their images and accounts on social media in order to be more customer-oriented and attractive to a potential customer.

There is a tendency that digital customers rarely pay for purchases through social networks. Despite the fact though consumers have become digital, usually in social networks, they examine information about the tour, air tickets or hotel bookings through communication with the digital travel agent. After that, nine out of ten digital consumers directly come to the tour operator's agency "Montparnasse-tour" to pay and sign the contract. Nine customers from nine who visited the agency, are influenced and make a purchase. When the customer comes to the office and is among the digital sellers, communicate with travel agents (sellers) the effect of trust appears, all 7Ps is taken into consideration and the purchase take place.

Other benefits that social media platforms bring for tourism business are as follows:

- Extension of communication process between tourist agent and customers. Usually customers are in contact with the agent or company during the whole process, going through different stages, starting from intention for purchase till the end, when journey is over,

- Speed up to loyalty. Very often the client is turning to a loyal customer and coming for the second and third purchase,

Turning to advocacy. Digital platform gives a chance to spread up information about company's services through digital blogs, forums, reviews, exchange information with others (peer-to-peer marketing). This kind of information is similar to offline word-of-mouth, which is still considered to be one of the most powerful, because it expresses the leaders of opinion estimation and values.

## 7. Conclusion

Social media advertising role among other advertising methods is truly significant. Specific features of social media - to strengthen and change consumer (traveller) behavior and the seller (tourism business company) proposition. Social media platforms increase the experience exchange utility and decrease uncertainty and might directly contribute to the volume of destination visitation and design destination tourist brand and increase sales. The big disadvantage of this kind of communication is - even the one negative customer's feedback, shared on social media, might damage fragile tourism business reputation. It must be stated also, that standard advertising tools still play its role and traditional communication is also of great demand and highly appreciated, especially «word of mouth ads» – is still powerful. Tourist companies must combine communication portfolio – online and offline and wisely use it for achieving their goals.

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