Approaches to Development of Market Strategy in Therapeutic Resort Industry

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Abstract: This article is devoted to the issue of resort industry development, the up-to-date character of this problem is reasoned. The concept and the essence of positioning of resorts are explained, difficulties in positioning are described. The author also analyses the aims of resort marketing and positioning. Methods of evaluation of resort organization's activity and building of market strategy are defined.

Keywords: Therapeutic resort industry · Marketing of resort organization · Positioning · Strategic marketing

INTRODUCTION

Therapeutic resort organizations of Perm territory attract people from other regions of Russia for implementation of treatment tourism programs. Natural treatment resources (mineral water outlets used for balneal treatment of patients and drinking, therapeutic muds) allow to develop this business. That is why the first P (place) of marketing complex gives big competitive advantage over other regions of Russia and other countries. But in spite of beneficial location and the range of services provided other elements of marketing mix (Promotion and Price) must be improved greatly. In order to define Place in Perm territory it is necessary to define ranking of Perm territory in Volga Federal district in terms of the number of specialized objects allocated there.

In this connection it can be said that effective management of resort and touristic industry is one of the prioritized areas of focus which must be worked out by municipal government authorities first because that will help to solve many social-economic problems.

Recreation therapeutic centers and resorts of south-eastern resort and recreational cluster of the Perm territory – ‘Klyuchi’ and ‘Red Yar’ are of utter importance.

Balneal and muds resort 'Klyuchi' is one of the oldest and famous resorts of Perm territory located in the village of Klyuchi of Suksun region. The resort is situated not very far from Gorodishche mountain in the picturesque valley of Irgina river. Resort’s capacity is 500 people; such quantity can be received at once both for therapy and leisure.

Main natural and therapeutic factors of the resort are as follows:

- Native (intact) sulphide waters mineralized to a small extent;
- Unique sulphide silty muds of the Suksumsk pond which produce great therapeutic effect;
- Drinking mineral water of sulfate-magnesium-calcic contents with average mineralization 2500 - 5200 mg/cubic decimeter;
- Favourable micro-climatic conditions;
- Various forest-steppe landscape complexes.

Therapeutic resort center "Red Yar" is situated in the village of Krasny Yar of Kishert region at a distance of 160 km from Perm and 70 km from Kungur at the bank of beautiful river Sylva near a pine forest:
Native iodine-bromine chloride calcie-sodium salty waters (mineralization up to 280 g/cubic decimeter) which are similar in chemical composition to waters of Dead sea;  
Sulfide-silty muds of the Suksunsk pond;  
Micro-climatic characteristics of this area.

When implementing planned measures of support new jobs are being organized and in such a way percentage of employment of local population is increased. In the same time taking into consideration interdependence of industries, the increase in number of jobs is observed directly (employment of non-manual workers (operational stuff)) and indirectly (engagement into production of tools (equipment) and means of production for non-manual workers.

Above-mentioned social and economic role shows special up-to-date character of forming therapeutic resort and touristic sphere on municipal level.

O. Bykova in her work [1] have formulated theory and methodology for development of therapeutic resort sphere of Russia introducing "strategy of innovative development for t-r and touristic industries" concept. She made analysis of development of investment and innovative activity of therapeutic resort complex and developed her strategy in regard to all directions of therapeutic resort complex of Krasnodar territory to satisfy public needs and increase the level of social and economic development. Main part of her survey addressed to resort city of Sochi situated at the coast of Black Sea in the West Caucasus.

A. Chililov by his work [13] contributed a lot into the development of tourism as an industry of the economy, having formulated concept tools, introduced the notion ‘touristic product’ and ‘touristic market’. The author proposed tools for stimulation of use of various resources for quicker implementation of innovative services in the sphere of regional tourism. His practical recommendations on improvement of statutory acts and HR policy in the sphere of tourism as well as his proposals on innovative ways to attract financial resources into this industry must be mentioned also.


V. Khrakov in his PhD work examined organizational and economic support of Russian resorts. The authors have proved that solution of a number of tasks of recreational organizations of Russia depends on influence factors, among which the most important are as follows: imperfect legislature and regulation of therapeutic resort industry of economy, low paying capacity of population, reduction of state support of development of recreational sector of the economy, absence of qualitative services, great reduction of R&D projects in recreational sphere of Russian Federation and absence of processes for effective management of resorts.

A. Makekadyrova concentrated on the development of the management system to control forming and functioning of touristic-recreational complex of Russian Federation [7]. Her work is devoted to recreation as the factor of increase of wealth of nation, population's health as well as labor productivity in the companies. So, the author considers social component in the development of tourism and recreation complex as the key one, the second by significance is economic component.

N. Morozova [10] paid attention to the issues of competitiveness of touristic industry.

International experience in studying of the positioning system, development of elements of marketing strategy and social and economic effectiveness of recreational and touristic industry is of utter importance [15-25].

Abrupt transition of recreational complex to market relations resulted in the necessity of use of marketing complex in the management activity.

Therapeutic resort complex of marketing is artificially created concept of management of therapeutic resort organization. Therapeutic resort marketing is oriented to satisfying customers' demands through creation of popular among people competitive offers and increase in sales of vouchers thanks to the methods of promotion and maximizing of profit.

Market demand in high-quality therapeutic resort services from consumers' side is formed by a group of marketing specialists through investigation of needs of potential customers, competitors, sales opportunities - elements of external and internal environment of organization which include personnel of a therapeutic resort organization; economic activity; finances; modern medical equipment, inventory etc.
Marketing concept of therapeutic resort company management is based on complex and systematic approaches. That is why comprehensive impact on all activities of therapeutic resort business, on measures of development and promotion of services from the company to the customer and on the customer himself takes place. Main functions of marketing are:

- Investigation of market in which therapeutic resort services are sold;
- Pricing;
- Formation of service offers;
- Stimulation of demand and sales;
- Promotion of services;
- Choosing the place for provision of therapeutic resort services (it is of strategic and long-term character).

Russian scientists A. Vetitnev and L. Zhuravleva [2] define the following aims of therapeutic resort marketing:

- Keeping of one’s own (already won) positions in the market of therapeutic resort services (strategy of survival);
- Penetration into new sales markets of therapeutic resort services (strategy of growth);
- Getting of surplus profit (strategy of skimming);
- Social aim (mission): care for health of population.

N. Sargaeva [12] believes that main task of r. marketing is achievement of correspondence between the offer of therapeutic resort organization and customer demands in order to reach the aim of therapeutic resort organization - obtaining profit.

The main task of therapeutic resort organizations is to gain maximum profit. This task can be solved by the policy of flexible and dynamic pricing. In other words prices must depend not only on production costs and the profitability rate, but season factor, number of vouchers bought by one organization, corporative sales, constant customers, the list of services.

Customer-oriented marketing must take into account the following components:

- Flexible prices for vouchers, including payment by small portions over a period of time and giving loans to customers;
- Organization of acceptance event for the customer-buoy of a service;
- Acceptance of customer;
- Allocation of him in hotel room;
- Catering;
- Medical services as the foundation of therapeutic resort business.
- Everyday household services for the customers
- Cultural and entertainment services with animation;
- Physical exercises and sports, leisure;
- Organization of departure of the visitor.

When the market in therapeutic resort sphere grows quickly managers and business owners form a number of competitive offers for satisfying customers’ needs. Investigating market of therapeutic resort services you can come across with a lot of exclusive offers which are "business cards" of some resorts associated with definite geographic area. In spite of the mentioned above diversity service in the Russian resorts is still very poor, there is no real positioning of resorts.

What is positioning? It is reasoned difference from other similar competitors in some specific area of activity. In other words positioning is formation of own brand image and its other features, which in imagination of targeted segment of market will be beneficially different from other competitors.

Positioning in therapeutic resort market must be done taking into consideration the unique character of the services/products provided and orientating to the geography of allocation, expectations of target audience and potential customers, their social and economic particularities and real (correspondence between customers’ and the directors' opinions) positioning of competitors. To much extent while doing positioning it is necessary to pay attention not to the advantages of the competitors and their particularities but to creation of one's own unique character. This approach can bring a business of therapeutic resort sphere to leading positions in the market.

While positioning of therapeutic resort services it is necessary to reach consensus in opinions of the directors, personnel, the visitors and public.

Main task of positioning of organization in the sphere of therapeutic resort services is correspondence between objective capabilities of therapeutic resort company and the needs of real and potential customers in order to reach strategic aim of therapeutic resort company - business extension, increase in number of customers and economic aim - obtaining profit. Keeping in mind this correspondence between the capabilities of a company
and the needs of potential customers managers of therapeutic resort organization can create trusted positioning taking into consideration the balance 'price-quality'. The more the balance is the more trusted the positioning of a therapeutic resort company is.

Positioning of resort territories is one of the basic marketing measures to create general impression in the consciousness of potential customers. When positioning territories the public can form opinions and views of the given object which after that are compared with other objects. In such a way the territories are compared by qualitative and quantitative attributes. While positioning territories potential customers emphasize both positive and negative attributes of the specific object.

In order to position resorts the following tasks must be solved:

- To characterize investigated market of therapeutic resort sphere and analyze demand, including estimates of demand elasticity;
- To define market capacity in money and define market share of the resort;
- To define socio-economic factors which influence the development of resort business market;
- To evaluate competitors’ share;
- To collect and process information on the competitors and the resort which is investigated;
- To analyze the behaviour of the main segment of the market;
- To make SWAT-diagram on key competitors;
- To analyze the level of correspondence to the demands of therapeutic resort business;
- To analyze advertising campaigns of the participators of the market;
- To define real advantages of the resort which is investigated;
- To develop marketing mix (4P) for the investigated resort;
- To provide constant monitoring of changes.

Methods of solving of some tasks can be as follows: SWOT-matrix (we shall consider it in detail in this work), in-dept interview, Delphi method, studying of primary and secondary sources of information, functional benchmarking (comparison of investigated object with the best competitors’ practices).

In order to evaluate the activity of therapeutic resort organization and build marketing strategy, including positioning in the market it is necessary to make SWAT-analysis by Delphi method. This method was proposed by N. Sargaeva for evaluation of economic activity of therapeutic resort complex. Firstly, the number of experts and their ranking must be defined. Then advantages and disadvantages of the organization must be defined as follows: HR policy, the number of activities, image of organization, level of professionalism of senior management, personnel qualification, beneficial location of therapeutic resort organization, weak/strong strategy of development, responding rate (reaction to changes in external environment), the age of technologies, the flexibility of financial policy. Then define opportunities and threats from external environment: access to new market segments, opportunity to use competitors’ technologies, appearance of new informative technologies, growth of population mobility, possibility to attract investors, possibility to refill the list of regular customers, possibility of appearance of new competitors in the market, possibility of changes of customers needs, unfavorable tax policy, great seasonal fluctuations.

Each of these parameters must be assigned its weight by experts in such a way that total weight of all parameters will be equal to 1. Experts must define weights (significance) of factors of external and internal environment and evaluate their influence on the investigated therapeutic resort organizations. The weighted values of influence of external and internal factors are obtained by multiplication of expert values of factors by their weight. Complex evaluation is done separately based on the external and internal factors for all therapeutic resort organizations. Then the values of separate factors of external and internal environment must be found and then complex values of the same parameters must be calculated. It is necessary to mention that the higher the value of disadvantages or threats for therapeutic resort companies is, the more they are dangerous for therapeutic resort companies [11].

Flexible discounts are a tool of modern market and is shown in Table 1:

<table>
<thead>
<tr>
<th>Method</th>
<th>Description</th>
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<tbody>
<tr>
<td>Merchandising</td>
<td>Preparation of goods for sale through retail outlets: thematic decoration of</td>
</tr>
<tr>
<td></td>
<td>commercial counters, shop-windows, allocation of goods in the trading area;</td>
</tr>
<tr>
<td></td>
<td>giving information about the goods [8], all techniques which are aimed to</td>
</tr>
<tr>
<td></td>
<td>increase in sales volume within trading space [9].</td>
</tr>
<tr>
<td></td>
<td>In other words merchandising is a method of marketing intended for</td>
</tr>
<tr>
<td></td>
<td>improvement of visual perception in order to increase sales. Merchandising</td>
</tr>
<tr>
<td></td>
<td>consists of main visual elements. Strategic aim of merchandising is to</td>
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</tbody>
</table>

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Table 1: Measures to increase sales of therapeutic resort services

<table>
<thead>
<tr>
<th>No</th>
<th>Area of focus</th>
<th>Measure</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Attracting more customers</td>
<td>Giving discounts for groups of people</td>
</tr>
<tr>
<td>2</td>
<td>Attracting regular customers</td>
<td>Flexible system of discounts (discount X, 2X, NX etc. where N-coefficient, X-% of discount)</td>
</tr>
<tr>
<td>3</td>
<td>Attracting of people with low income</td>
<td>Entering into contract with bank to give a loan to the customer</td>
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stimulate sales; tactical aim or its task is to increase demand and interest from the consumers of the market segment, interactive communications inside the segment of market.

Merchandising of therapeutic resort business can be found in the following things: tags on the door knobs on the external side of the room, towels, bathrobe, slippers, business cards, flyers, magnets, welcomebook which can be found in every room as an element of merchandising.

When the last tool of communication is used it is necessary to inform personnel that this article (the book) is not an influence factor for the personnel, in order to avoid deliberately developed situations (both negative and positive).

Increase of assortment will allow the customer to satisfy his needs more completely. When brand new services appears in therapeutic resort sphere the growing needs of the customer are satisfied. But here a problem appears. If a customer makes his choice driven by colour, light, forms of merchandizing and recommendations of authorized persons, how optimal choice of a service in therapeutic resort sector can be made? How to get the customer acquainted with the list of services being rendered? How to stimulate sales?.

Esthetics in therapeutic resort sphere is not on the last place for a potential customer when he is making his choice of resort. This esthetics is not only real, but virtual as well - filling-up of the website and merchandising. The photos made professionally determine the choice of resort or profiled therapy in a therapeutic resort organization. It is necessary to perform merchandising in such a way that it will not be end in itself but the tool of promotion.

Marketing specialists should form a taste and do their work not formally, in order to write a report about the work performed, but be oriented to attraction of new and holding of old customers and creation of positive image in the social groups - potential audience. The more loyal is the audience in regard to the resort, the better Vouchers sales department works.

REFERENCES

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