

## Trading Strategies for The Development of Sports Tourism – Rock Climbing

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### *Abstract*

*Bulgaria as a tourist destination is directly dependent on the European market of tourist services. In the last years of the 20th century, the structure of this market changed rapidly and significantly. The changes are primarily the result of the intensive processes of capital concentration and centralization in the tourism industry of the countries of the European Community. The tourism industry is one of the most profitable, and one of the most flexible, and it is normal for it to be constantly changing. In it there is a constant turnover of huge capitals, and the big tour operators are trying to organize these flows into a single streamlined system so that they can control them more easily.*

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### **Introduction**

Initially in Great Britain, and subsequently in Germany, new powerful vertically integrated tourism concerns were formed through takeovers and mergers. Under the new conditions, the survival and prosperity of the recent national tourism leaders is possible by achieving: market leadership positions internationally; economies of scale and scope of tourism activity; synergies; diversification of risk across multiple national markets and consumer segments; development of sales and income management information systems; establishment of umbrella brands. The listed **tasks** are successfully addressed through concentration and centralization of capital. The **purpose** of the report is to present strategies for the development of a little-known form of alternative tourism, namely rock climbing.

### **1. Models of alternative tourism in Bulgaria**

Increasingly, it is found that mass tourism is facing serious challenges arising from the mismatch between the expectations (needs) of customers and the possibility of satisfying them within its conventional model, hence the need to look for alternative forms of solving this problem.

Mass tourism develops as a phenomenon of "production" activity, which is aimed at the creation and imposition of a "mass, standardized, package" product.

The practice of this model of tourism leads to serious problems of a complex ecological and social nature and this leads to the need to rethink the tourism business concept within the limits of "reasonable growth" in the following directions.

- The tourism business cannot develop in a nature - intensive way due to the natural limitations and non-recoverability of the environment on which it is dependent;
- The limits to growth necessitate a reconsideration of the methods of production and consumption, characteristic of mass tourism;
- Alternative forms of tourism, such as rural tourism, sustainable tourism, green tourism, eco-tourism (soft tourism) and sports, extreme tourism (adventure tourism), are not another fashion phenomenon, but are a consequence of the different way of life and mass consciousness, namely the nature friendly ones;
- Rethinking government intervention in the tourism business through: developing and implementing national and international programs, establishing national and international agencies

to support the new forms of soft tourism, attracting the private sector to invest in alternative tourism projects;

Practicing alternative tourism is an ideal way to promote the country, increase its external "visibility", create an adequate image, attract foreign currency, etc. It is the most sought-after dynamic product that leads to attracting the most potentially solvent customers. As has been pointed out, there are many problems facing the development of the alternative forms, and the efforts of national, regional and local associations must be combined to overcome them.

Indicative is the need for intervention of the State as a body that finances, regulates and coordinates tourism development. It is the primary source supporting the implementation of the strategies and decisions developed in the field.

Alternative tourism is developing more and more rapidly and is gaining numerous supporters. It is impossible to unite its various forms in a single definition due to the high heterogeneity of the activities and the diversity of the components oriented towards radically different user groups. By pointing out the differences between mass tourism and alternative forms of tourism, we will see that the latter are:

- In direct dependence on the quality of the bio-physical environment (natural capital), while mass tourism corresponds to urbanization (man-made capital);
- Highly dependent on the development of specific activities based on the authenticity of the environment;
- Influenced by the local culture, which becomes an important part of the tourism product;
- Part of the local economy and if it is in a state of fragile equilibrium, its natural development can be easily disrupted.

Studying the possibilities for alternative tourism would provoke new ideas for its development. However, it would not be possible without an entrepreneurial spirit. If the State develops a strategy for building the infrastructure, backed up by the allocation of sufficient financial resources and responsibility, the private sector will step up to build a super-structure / hotels, houses, necessary facilities according to mandatory standards and customer requirements / and hence alternative tourism. This will result in a stepwise upgrade, which will attract solvent customers and recoup the investments made.

A key approach in considering the different forms and models of alternative tourism is to be aware of the fact that each of them generates a specific effect on the local economy, population and environment. It is no coincidence that such places as the villages of Kovachevitsa and Bozhentsi have been declared monuments of culture and are under the protection of the law. New construction is forbidden in them, if it is not in the spirit of the traditions of the locality. One more feature should not be overlooked, namely that most forms of alternative tourism are developed on the idea of sustainable development and, as a rule, exclude the possibility of achieving mass tourism, and consequently, of making profits from the mass tourism industry. This is offset by the unique experiences that alternative tourism offers, and for which consumers are willing to pay a higher price. "The "people" component, and in particular the tourism staff, is extremely important in tourism, because the quality of the tourism product, which is based on the quality of service, directly depends on their behavior and qualifications." (Anastasova, L., 2010, p. 24 ) There are huge differences between the product, customers and attractions offered in mass and alternative tourism. But it is precisely these differences that make alternative tourism a real challenge for entrepreneurs, as it is based on greater flexibility, relevance to the environment and unconventionality. "The tourism product has a complex content and is a set of heterogeneous goods and services." (Rakadzhyska, S., St. Marinov, 2004, p. 65)

There are also cases when the development of this type of alternative tourism is inappropriate, such as:

- There is a lack of such factors as consumer demand to be met in a non-conventional way.

- The conditions do not exist for a market niche to be "filled" by small entrepreneurs /family businesses/ operating in the field of alternative tourism with the strong presence of a well-developed and efficient large-scale tourism business.
- Where the cost of reopening and revitalising run-down sites, attractions or tourist destinations would be higher than creating new ones.
- The region is successfully developing other forms of tourism - in which case, one should not "let go of the bird in the hand for the one that's flying". That is, in this case, it is probably those tourism products for which the region has advantages that should be developed with priority.

The emergence of alternative forms of tourism is natural and is associated with the exhaustion of the possibilities of conventional tourism. Alternative forms offer a real challenge for tourism entrepreneurs, because they develop according to a model that is radically different from that of mass tourism, but are in harmony with the new needs of market demand.

## **2. Creation of a tourist product "rock climbing" in the Vratsa Balkans**

As stated above, there should be a smooth transition from mass to alternative tourism. The future of tourism lies in its development and diversification as shown in (Figure 1).

The tourism product on offer is rock climbing. This product is very flexible to the requirements of the customers, and it is very difficult to define it unambiguously by the one who offers it.

An example tourist package by day has been developed and this route is offered (not exactly as it is) by TA Odyssey – Inn and is mainly, if not exclusively, aimed at foreigners.

1. Starting point – Sofia. The groups of tourists depart from the Central Railway Station - Sofia at 7:10 a.m. Travel by fast train no. 7621 in the direction Sofia - Vidin. The travel is carried out by the Bulgarian State Railways, so that customers can enjoy the Iskar Gorge and the beauty of Stara Planina.

2. Arrival in Vratsa at 9:05 a.m. - the group moves on foot to the "Vratsata" alpine lodge. The terrain to there is an asphalted road between the town of Vratsa and the village of Zgorigrad.

3. Day two – tourists have breakfast at 7.30 a.m. in the restaurant of the alpine lodge. Later, tours begin along the massifs of the "Malkata Vratsa" region. These are of a lower degree of difficulty and are recommended to start with so as not to overwhelm the climbers. Dry food is carried for the duration of the climb due to its length. Due to the fact that the entire area is karst, there is no water near the rocks except for the Vratsata pass and "Malkata Dupka". Water should be carried on longer climbs. When the climb is over, dinner is taken at the alpine lodge.

4. Day three – breakfast at 7:30 a.m. and then the climb continues with tours along the "Ivan Vazov" and "Urvich" massifs. Dinner is taken again at the alpine lodge "Vratsata".

5. Day four - 7.30 a.m. - morning meal and ascent in several tours of the "Aleko" and "Dupkite" massifs. After the end of the climbing day dinner is taken.

6. Day five – getting up at 7.00 a.m. and breakfast at 7.30 a.m. Ascent of several routes along the Central Wall of the Zgorigrad Gorge. Dinner.

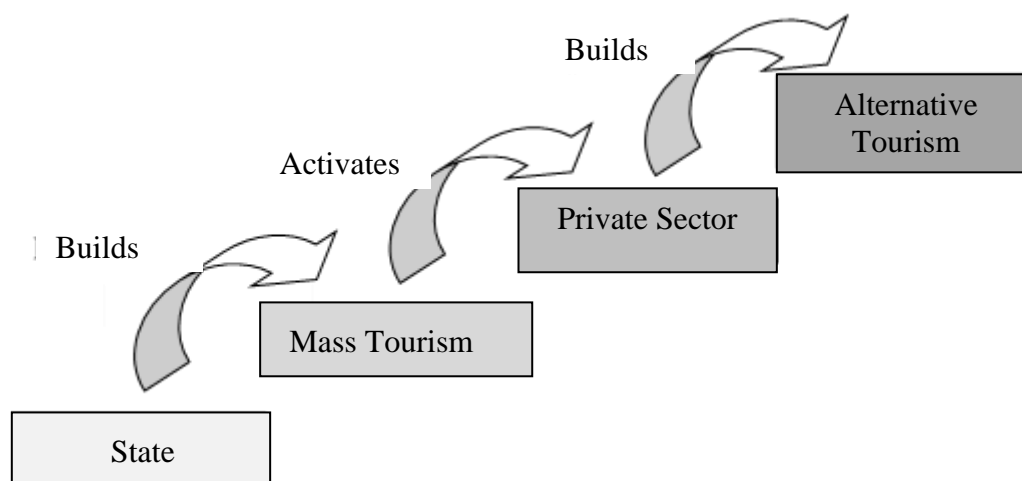


Figure 1 Stepwise diversification of tourism

Adapted from: Rakadzhyska, S., St. Marinov, Marketing in tourism, ed. "Science and Economics", University of Varna, 2004, p.66

7. Day six – 7:30 a.m. – breakfast and climb of some of the newest routes such as “Sofi”, “Badjanatsi - Shpaklovcitsi” and “Ska”. Dinner after returning to the alpine lodge.

8. Day seven – breakfast and departure from the alpine lodge "Vratsata" in the direction of the town of Vratsa. The group boards the fast train no. 7620 at 9.02 a.m. Arrival in Sofia at 10.52 a.m.

The package is offered to groups consisting of no more than 10 people. The group is accompanied by two, at most three professional climbers who also act as guides. The price of the offered tourist product is \$400 for foreigners and BGN 300 for Bulgarians. It includes all expenses from the departure from Sofia to the return of the group to the starting point. That is, the above amount includes BGN 10 for a rail ticket in one direction and another BGN 10 for a rail ticket in the opposite direction; BGN 20 for a one night’s accommodation in the "Vratsata" alpine lodge, which includes breakfast and dinner; insurance against accident with DZI - General Insurance JSC; and the balance remains for the tour operator providing the service, with which amount he covers part of his expenses and derives the profit.

All this information is provided in writing to the tourist when concluding a contract with the tour operator, as required by the law in the country.

(SG, No. 56, 2001, in force from 1.10.2001)

### 3. SWOT – analysis of the product

#### Strengths of the product.

1. Over 90% of accommodation and other facilities in the tourism business are privately owned. Medium and small businesses have the advantage of being more flexible and more quickly structured around ever- changing customer demands and expectations;

2. The industry does not need external investment for its development;

3. It is not seasonal like traditional tourism products;

4. In the Vratsa Balkans there are numerous natural resources suitable for rock climbing (32 massifs and nearly 300 tour routes);

5. Given the microeconomic situation, Bulgaria can still maintain relatively low prices for sports tourism packages. The price of both basic and additional services, as in the case of mass sea and mountain holidays, is the main competitive tool;

6. Current concepts of environmentally friendly lifestyle and individual choice are implemented;

7. Non-traditional forms of tourism are seeking their place in the global information network (Internet). Although still incomplete, information is available on resources and their partial inclusion in tourist packages.

8. A series of promotional videos and other films are being made about sports tourism resources in Bulgaria;

#### **Weaknesses of the product**

1. Underutilization of resources. Where the degree of utilization is high, the principles of equipment and re-equipment and first ascents of rock climbing tours expressed in the Consultative Document signed and adopted on 9 March 2010 in Trieste (Italy) by the UIAA Mountaineering Commission, and environmental friendliness have not been respected;

2. The general infrastructure - roads, signposts (in Cyrillic only), communications, is in a deplorable state. Information centers are not fully functional. It is extremely difficult to move tourists by public transport in the interior of the country, in areas remote from the main arteries;

3. There are only a few travel agencies offering a "sports tourism" package on the domestic market. The majority of offers and packages are oriented to the foreign tourist;

4. The lack of information about rock climbing also determines the chaos in the formation of tourist packages. The domestic market is completely neglected;

5. The area where the product is offered has a deteriorated demographic structure;

6. There is a lack of specialised vocational training centers for the mountain and sports tourism professions. There is also no developed training model, except for the training of mountain guides conducted by the Bulgarian Association for Alternative Tourism and the "Mountains and People" Association under the "Beautiful Bulgaria" program;

7. The mountain maps and maps of the places proposed in the tour, the guidebooks and advertising publications (books, albums, films) promoting alternative tourism either do not exist or if they do they are written only in Cyrillic;

8. Lack of a unified Internet portal for alternative tourism (in particular sports tourism);

#### **Opportunities**

1. Creation of new routes;

2. Enriching the already existing routes with new tours and increasing their difficulty;

3. The activities of the numerous sports clubs have yet to be rethought through the prism of tourism;

4. The stay of the tourists vacationing in the mountain resorts around Vratsa should be better utilized. Their stay could be diversified and extended by offering nature walks (a special route "In the footsteps of Botev", outdoor camping and rock climbing could be created);

#### **Threats**

The unstable internal and external environment, as well as the confusing and inadequate legal framework, are a prerequisite for the lack of confidence among entrepreneurs;

1. Tourism is talked about and measures are taken only during the active (summer) season, and mainly for the traditional industries in the tourism sphere;

2. There is a threat of overexploitation and overloading of resources in the area, which can lead to environmental disasters;

3. The presence of other attractive for sports tourism rock massifs in the vicinity of the Vratsa Balkan;

4. Danger of forest fires unintentionally caused by tourists;

5. In the spring and winter seasons, there is a danger of the Leva river overflowing, caused by precipitation in the mountains;

**4. Trading strategies for the development of sports tourism, in particular rock climbing**

It is rock climbing as a form of alternative tourism that we will focus on in the next few paragraphs. It is precisely the non-traditional forms of tourism that have the greatest prerequisites for development and the benefits from this are defined as the greatest. Another plus is that the world is just discovering the Balkans as a tourist destination, offering a wide range of forms of both traditional and alternative tourism.

The SWOT analysis pointed out the strengths of the offered tourism product, which should be "exploited" more intensively; the weaknesses which should be reduced to a minimum; the opportunities, which should be exploited and threats, which should be overcome.

**4.1 Product strategy**

The tourist product "rock climbing" consists of an attraction, a tour operator on one side, and customers on the other. (Figure 2)

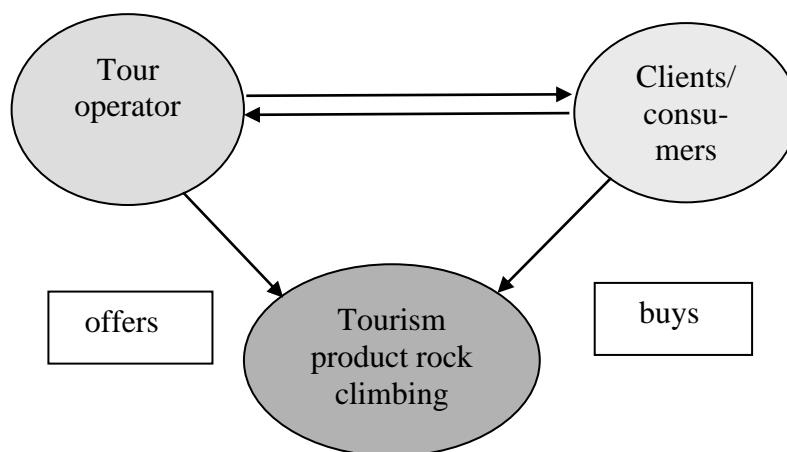


Figure 2. Components of the tourist product

For outlining the theoretical basis of marketing strategies for conquering the market and customers, the product-market matrix compiled by Igor Ansoff could be used. (Figure 3) (Mitev, N., M Chiprianov, 2001, p. 35)

Existing product	Market penetration	Market development
New product	Product development	Diversification
	existing market	new market

Figure 3 Ansoff Matrix

Sports tourism, more precisely its development in Bulgaria and its marketing as a tourist destination is relatively new. Our country has also recently entered the market of alternative tourism

services. For these reasons, it can be argued that we have (of course with a great deal of conditionality) a new **product** in a new market. As can be seen from the Ansoff matrix, the most appropriate strategy is diversification.

Literally, diversification means I make variety. (Panayotov, D., B. Borisov,. 2000, p. 68) The Vratsata mountain massif is known for its difficult and attractive conditions for mountaineering of the highest category. There are 111 registered routes here, one of which bears the name of Ivan Maslarov, son-in-law of the legendary Hristo Prodanov, who made the first ascent.

In recent years, many new tours have been opened along the rocks near the Vratsata pass, and some of the old ones now look different. Tourists are provided with information about the tour route for that day. The information common to the relevant group of tours or massifs - access to the wall, return path, unevenness, slope, exposure, specific features of the wall (massif) such as friability, prevailing forms of the relief, etc., availability of traverses, rappels, etc., is given with the description of each of the regions and massifs. The layouts of the massifs (and their parts) show the location of the routes, paths, traverses, etc. The description of each route includes text and a diagram. The routes and rocks are described and based on climbs made by climbers or on information provided by the authors of the first ascents who equipped the respective tours.

Another area in which there is diversity in terms of the product is the time at which it can be practiced. Rock climbing is not seasonal and can be offered as a tourist product at any time of the year. An anecdote among mountaineers says that on Vratsa, if it is not hot, it will definitely rain - there is no average situation. Indeed, rainy days are not few at all. During a brief rain it is better to wait and then continue the climb as the rocks dry quickly. In case of prolonged rain, however, it is advisable to leave the route.

#### **4.2 Pricing strategy**

As the product is intended for two groups of tourists (foreigners and Bulgarians), the pricing strategy is also considered in two aspects.

Pricing strategies are differentiated in terms of different criteria. One of the main factors that determine the strategy is which phase of the life cycle the product is in. Sports tourism, like other forms of alternative tourism, is in its introduction stage, as can be seen in (Figure 4).

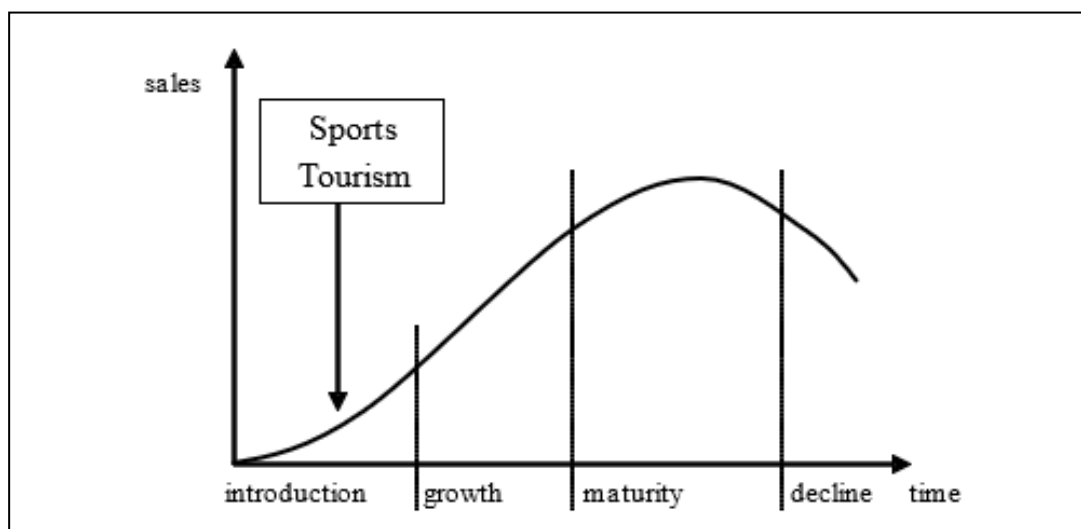


Figure 4. “Rock climbing” product life cycle

At this stage, large product launch costs are required as the product is new and there is no profit. People who use this kind of product are innovators, their number is small.

Marketing a product in the introduction phase implies that the price must be lower than usual, be competitive, in order for the product to become established. In lowering the price, the tour

operator has to be very careful, because a low price implies an increase in market share, but not loyalty to the company. It is quite possible that when another product with the same price appears, consumers will switch to it.

Other possible strategies are:

**For foreigners:**

1. An increase in price, so that the product is perceived as prestigious and of quality.
2. Discounts for regular customers.

**For Bulgarians :**

1. Lower pricing than for foreigners.
2. Adequate pricing according to ability to pay and consumer requirements.
3. Discounts for regular customers.
4. Possibility of deferred payment.

Part of these strategies can be achieved through product diversification. When accommodation changes, the price of the package changes, although not very significantly. The manner of traveling there also determines the price level.

In general, the price varies around two main points: the level of costs incurred by the tour operator and the markup of the tour package. Of course, there must be a correlation between the agreed prices and the quality of the tourist services offered, they must be correctly defined, and above all, no actions should be taken that would disappoint customers, regardless of whether they are Bulgarian or foreign citizens.

#### **4.3 Distribution strategies**

Appropriate strategies are:

External points of sale in tourism:

- Travel and tour agencies, excursion and intensive travel bureaus, tickets selling, and making reservations;
- Tourist information centers;
- Tourist exchanges and fairs;
- Reservation system in the tourist's home - television, radio, telephone and personal computer;

Internal points of sale:

- Hotel reception
- Bar, restaurant, shops for souvenirs and clothes, duty-free shops;

Incoming (inbound) inquiries: these are all the inquiries we want to convert into sales;

We should also mention the *distribution of printed materials to the target groups*. Along with the standard ways of distribution, there are still options that are unfortunately not in practice in Bulgaria, such as:

- Exploiting the potential of financial institutions, for example, banks can send brochures and leaflets of tour operators and travel agencies in letters to their customers for a small fee;
- Exploiting distribution opportunities through more expensive restaurants and cafes, especially where there is a greater attendance, as their segment is more solvent, and their clientele is mainly young people, lovers of extreme sports;
- And last but not least, making the most of Internet opportunities. Electronic brochures can be sent to customers who have already visited the Vratsa Balkan and to those who are members of extreme sports clubs.

#### **4.4 Promotional strategies**

The use of printed advertisement for tourism - brochures, catalogs, leaflets. Advertising brochures for the promotion and sale of the tourism product are most effectively used by tour operators and travel agencies. Printed advertisements play the role of a substitute, of a visualiser of



the tourism product they present. Electronic catalogs, which are distributed on videocassettes, laser discs, CD-ROM devices and online catalogs are of promising importance. Their distribution would make it easier for customers and would advertise the natural beauty of the Vratsa Balkan and its historical importance in up-to-date pictures and colors.

Television and radio advertising - Television advertising is of great importance for the presentation of the product in the market. The tourism product, like any other service, is invisible to the customer. For this, the tangible presentation of the tourism service must be prepared and implemented in some form. (Anastasova, L., 2001, p. 53) And when this service is presented in a tangible way, it can now be advertised to the consumer.

Advertising in Newspapers and Magazines – A strategy to advertise in a specialised mountaineering and climbing publication that reaches a limited range of people, ie. a relatively small segment of the market, but highly solvent customers with similar interests and sufficient time. - Publication of announcements and advertisements in newspapers and magazines that are specialised in or close to the area of rock climbing in which the trip is planned. - Advertising through information in the mass media about the events held in the "Vratsata" pass.

In summary of the analysis made and the reasoning presented, the proposed strategies, we can state that the rethinking of the business concept in the field of tourism in our country is imperative, not only to keep up with the times, but also with the leaders in this business. Bulgaria has all the prerequisites for the development of alternative forms of tourism, and these are precisely the core of the transformation that is sweeping the international tourism business.

### Conclusion

In summary, it can be said that tourism is a sector of priority importance for the economy of our country. It provides a large part of the revenues in the municipal and state budgets. (file:///C:/Users/HomePC/Downloads/file\_191\_bg.pdf )

Rock climbing has great prospects ahead of it as a branch of alternative tourism. It is not yet fully developed, but it has the potential to develop in the short term and become a leading sector in the economy of Vratsa Municipality. Although there are currently various problems in our country, in the foreseeable future they can be resolved and our country can become a leading destination in the field of alternative tourism, first among the countries of Eastern Europe, and later why not in the whole of Europe.

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