

ONLINE PROMOTION OF TOURISM IN PRAGUE

Cezar Mihălcescu,
Beatrice Sion,
Alexandra Mărginean *

Abstract

Prague, the golden city of Europe, is one of the most sought European destinations for tourism, due to its tourist, cultural and political sights.

Another reason why Prague is an extremely visited city is because it has a lot of lodging units that cover a large array of geographical positions as well as a classification according to price categories.

An important tool in attracting customers is online promotion. This happens with the help of city presentation websites, of public interest landmarks, of hotels and hostels etc.

Keywords: tourism, Internet, website, Prague

JEL Classification: L 83, L86.

1. Introduction

Since the fall of the Iron Curtain, Prague has become one of the most popular tourist destinations in Europe and in the entire world.

Prague occupies the sixth position in the top of the most visited European cities, after London, Paris, Rome, Madrid and Berlin.

Although in the last year the Czech capital is a little too crowded with tourists, it nevertheless remains one of the great European tourist cities comparable with the great metropolises of Germany, France or Italy which have a similar price level.

Tourists are attracted by the millions by the golden reputation of the city of Prague, but also by that of other mediaeval resorts from the country.

Although the Czech Republic used to be a communist country, it remains the richest country in Eastern Europe, after Slovenia, which makes Prague resemble a metropolis of the states of Western Europe. In fact Prague has a gross domestic product per capita with twenty five greater than the average of the European Union and almost double in comparison with the rest of the regions of the Czech Republic.

Although after the Velvet Revolution of November 1989 Prague was insufficiently prepared for the fantastic flow of tourists, nowadays the situation has

* Cezar Mihalcescu, Beatrice Sion and Alexandra Marginean are at the Romanian American University in Bucharest.

E-mail: cezar_mihalcescu@hotmail.com; beatrice_sion@yahoo.com; alexandra.marginean05@yahoo.com.

changed dramatically, the city being endowed with an appreciable tourism infrastructure – suitable for a cosmopolitan and prosperous city.

The city may be visited any season, as in Prague there really is no low season when fewer tourists come. Although Prague is probably the most cosmopolitan city of Central Europe, transportation to the Czech capital is relatively difficult, as neither the airport nor the station are equipped with tourism offices, since at the moment Prague is not so well connected to the European transport network, unlike Vienna or Budapest, for example.

As in every tourist city, Prague has its mediaeval tourist sights, without which it would not have the same image and draw the same interest in us and the tourists, such as the Old City and the Old City Square, the Astronomical Clock, Charles Bridge, Prague's New City, the Prague Castle and Saint Vit's Cathedral, Lennon Wall, the National Museum, the Old Jewish Quarter, the Metronome, the Zizkov Television Tower, the Olsany Jewish cemetery and Franz Kafka's tomb.

The historical and tourist air notwithstanding, Prague represents one of the most important European cultural centers as well.

Prague is the host of numerous cultural events and it is the home of a few institutions from the Czech culture – the National Theatre, the State Opera, the National Library, the National Museum – and the headquarters of the Czech Philharmonic Orchestra.

In the city there are concert halls, music clubs, art galleries and hundreds of cinemas. Prague hosts a lot of film and music festivals and fashion presentations and it is the meeting place of many famous writers.

Among the celebrities that have their name tied to this city we may gladly enumerate Mozart, Albert Einstein, Franz Kafka, Jan Hus – renowned people that have put their imprint on both the history of the Czech city and humankind.

Still in relation to the educational-cultural aspect, we must mention the fact that the city is the headquarters of a number of important universities that are famous across the borders of the Czech Republic: Charles University, the Academy of Fine Arts (1800), the Academy of Arts, Architecture and Design (1885), the Academy of Performing Arts (1945), the University of Economics, the Czech Technical University (1707).

Prague represents the venue of international conferences, such as: the NATO Summit of 2002, the World Bank Summit in 2000, the General Assembly of the International Astronomical Union in 2006, the International Olympic Committee Session in 2004.

2. Theoretical Bases

The tourist is the person that travels outside the border of the residential space for a period shorter than a year, whose motivation is other than the exercise of a remunerated activity in the visited place.

Domestic tourism is monitored with the help of the following indicators: the number of tourists that have arrived in the city, the number of tourist days to offer,

the number of tourist days to capitalize upon, the average number of tourists, the amount of the revenue, the average daily revenue per tourist, the number of people lodged and the overnights, the vacation average length, the occupancy rate, the average rate per room and per client.

Tourist turnover is measured in physical units represented by the number of tourists that can be registered as arrivals in lodging units.

The number of tourist days is an indicator and it results as a product of the number of tourists and the length of the tourism activity expressed in days. The period taken into consideration is a year maximum.

The average number of tourists expresses the average tourist turnover over a given period of time.

This is calculated as the average number of daily arrivals through a ratio of the total number of tourist days to the number of days considered. This indicator offers the possibility to estimate the frequency of the tourist turnover in certain periods of time or in a tourist season.

The number of overnights is registered in lodging units and represents the number of nights spent by the tourists that are accommodated. It can be no more than equal to the number of tourist-days, and it usually is smaller as not all tourists are accommodated in specialized units.

The vacation average length is calculated as a ratio between the total number of tourist-days and the total number of tourists. The vacation average length offers complete information on the impact of the tourism activity, generating economic effects that are directly proportional to its length. This indicator is influenced by a series of factors: the quality and type of the tourist offer, incentives, the tourist's income level, the distance where tourists come from.

The vacation average length increases as the traveling distance increases.

The occupancy rate indicates the number of sold rooms out of the available ones over a certain period of time. The rooms that are out of use are usually (but not always) included in the number of available rooms.

With hotels that assess management performance according to the occupancy rate, the inclusion of the rooms that are out of use represents an incentive for the management to repair these rooms as quickly as possible. The exclusion of these rooms would cause an increase in the occupancy rate on false premises, falsely taking into account the unsold rooms. The average rate is calculated as a ratio of room revenues to the number of rooms sold. The average client rate is calculated as a ratio of room revenues to the number of tourists.

Domestic tourism revenues include revenues from hotel benefits, from product sales and from other activities, facilitating the measurement of average revenues per tourist-day, per meals, per person and per room. Internal management indicators are mainly used to present the economic efficiency of the tourism activity over a period of time.

3. The Tourist Offer in Prague

3.1. The Tourist offer can be defined through: the natural and anthropic environment and potential, the equipment necessary for the production of tourism services, the source of material goods destined for tourism consumption, the workforce specialized in specific activities, the tourism infrastructure and the selling conditions, the totality of tourism elements that can motivate tourists to travel, and of the elements destined to capitalize on their demand, the ensemble of attractions that can determine the visitation of certain tourist areas, together with the organizational ability of the network to satisfy under certain terms the demand of the population.

The tourist offer consists in:

- elements of attractiveness existing at a given time only as potential – natural, socio-cultural, human and technological resources;
- functional elements consisting in equipment and services that make production possible and which valorize attractiveness.

Their absence leads to the existence of tourism potential without the possibility of valorizing it. The premise of the tourist offer consists in the tourism potential that can be considered a potential tourist offer.

The tourist offer can be classified, according to the dominating motivation of the consumer, in the following groups:

- the vacation tourist offer: family tourism, balneary, sports and recreational tourism
- the cultural tourist offer: educational tourism, technical and artistic initiation tourism
- the business tourist offer: congress tourism;
- the health tourist offer: treatment tourism.

Thus, Prague can be found in every branch of this tourist offers due to its general infrastructure and to the presence here of a lot of important institutions.

Prague holds the most successful recipe in comparison with all the East-European tourism capitals; the accommodation tourist offers at a medium European level attract large numbers of tourists determining them to spend huge sums of money annually, which helps the increase of Prague's GDP.

The amelioration of unemployment is linked with the financial recipe from tourism as well, the gross domestic product being double in comparison with that of the other regions in the country and greater than the average of the other EU states.

The plan of the city municipalities is very successful, drawing foreign investors to various industrial companies in the city. The attraction of Austrian investors in banking maintains Prague at a high level, as banks offer insurance that they can cope with the economic crisis until 2012, the year when the end of the economic crisis is predicted to occur.

The interesting fact is that the Austrian companies Raiffeisen and Erste are the only banks in Prague. For developed countries, where the income varies very little, the level of the elasticity coefficient is around +1, and here we make reference to the elasticity coefficient of the Czech Republic as well.

$$E_v = \frac{Dc}{c} \div \frac{Dv}{v}$$

c – represents the demand or the volume; v- income; Dc – demand variation; Dv – income variation

3.2. The Elasticity Coefficient in Prague

In order to find out the price elasticity coefficient for the Prague tourist offer, we will analyze the situation for 2010 of one of the famous hotels situated in the city centre, namely Savoy.

It is a hotel with thirty double rooms and a matrimonial suite. The 2010 offer for the double room is €285, and nevertheless the hotel does not lack demand, due to the tourist affluence, tourists considering that the price is in agreement with the services that the hotel offers.

$$E_p = \frac{Dc}{c} \div \frac{Dp}{p}$$

Ep – level of price elasticity; Dc – demand variation; Dp – price variation; p – prices

Thus, between August and October 2010, the demand at Savoy hotel was of three hundred reservations in total, for €285 each. The demand variation and the price variation are equal and they remain unchanged (source – Google, sitte wtcc.trevell,Czech Prague).

$$E_p = \frac{1}{300} \div \frac{1}{285} = 1,05$$

Thus, the elasticity coefficient in Prague for the above-mentioned period of the year 2010 (August-October) is of + 1.05. In developed cities such as Prague the tourist flow is bigger than the dynamic of the Czech population.

3.3. The Density of the Tourist Population in Prague in 2010

The density of the Prague tourist flow is represented by the ratio between the number of tourists and the number of the city population.

$$D_t = \frac{\text{the number of arrivals in Prague in 2010}}{\text{resident population in Prague in 2010}} = \frac{5321981}{1901039} = 2.79\% (\text{tourist density in Prague})$$

The average number of tourists in Prague in 2010:

$$N_t = \frac{\text{the number of tourists in Prague in 2010}}{\text{the number of days in the year 2010}} = \frac{5321981}{365} = 14581 \text{ tourists (source: wtcc.Praha.org)}$$

Table 1: The evolution of the number of tourists from 2006 to 2010 in Prague

4011379	4510463	4780301	5071106	5321981
2006	2007	2008	2009	2010

source:www.praha.org

The tourism potential in Prague is given by the natural and anthropic elements, by the tourism workforce and by the general infrastructure. The tourism product in Prague represents a combination of services provided by certain tourism agencies to tourists who want to spend a pleasurable vacation in the Czech capital.

Behind all these there are the tour operators, the creators of tourist packages and the organizers of leisure experiences, which have the role of intermediaries between the providers and the consumers through the creation and distribution of tourist packages.

4. Tourist Reception Structures

In the Czech Republic, as in any country with tourist attractions, we encounter a diversity of spaces and accommodation units provided for tourists with the help of tour operators that distribute packages with tourist offers.

Therefore the types of reception structures that bear the function of tourist accommodations are classified as follows:

- one-star, two-star, three-star, four-star and five-star hotels, two-star, three-star, four-star and five-star suite hotels, two-star and three-star motels;
- two-star, three-star, four-star and five-star villas; one-star, two-star, and three-star chalets; one-star, two-star, three-star and four-star tourist pensions, one-star, two-star and three-star agritourism farms, one-star, two-star and three-star rented rooms and family lodgings
- one-star, two-star, three-star, four-star and five-star river and sea ships

Table 2: The lodging capacity according to types of tourist reception structures in Prague from 2006 to 2010

Types of tourist reception structures	2006	2007	2008	2009	2010
Total out of which	337	356	398	409	429
Hotels	240	250	279	284	300
Pensions	70	74	79	83	86
Camping	15	17	17	17	17
Suite chalets	12	15	15	15	15
Inns	-	-	-	-	1
Motels	1	-	4	7	8

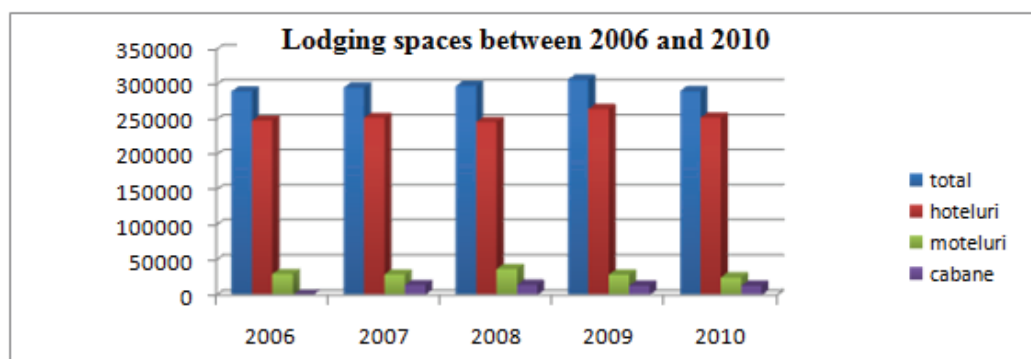
Source: site booking.co/Prague-Hotel

From the analysis of table 2 we may notice that the greatest lodging capacity can be found in hotels, representing over 70% of the lodging units in the city. As we may see in the table above the capacity of buildings and accommodation units has increased in the past five years, mostly due to the huge flow of tourists that visit Prague every year.

The basis of lodging units in Prague is given by hotels, the rest of the units – represented especially by motels and pensions – being addressed mainly by Czech tourists or even by those from Prague.

In chart one we have a representation of the lodging spaces that helps us understand the situation of the lodging structure better and to highlight tourist distribution in the accommodation units in the city.

Chart 1: The representation of the situation of lodging units between 2006 and 2010



Source: a chart based on the data from table 2

In this way it is clear that the tourist offer is influenced by the number of available rooms yearly for every lodging unit, by the number of days while the unit is open and by the number of calendar days.

What needs to be mentioned is that leap years have a great influence on establishing the tourist offer: the number of available places in the offer is then greater. Room rates are set by tourist economic agents, freely, based on demand and supply, in a competitive environment.

The accommodation array in Prague comprises a number of three hundred hotels, motels and tourist pensions, and it is important to know that the complexity and quality of the accommodation services contribute to the attraction of tourists and to the capitalization of the tourism potential.

To establish these services marketing surveys and economic analyses are used, along with expenditure level forecasts, with programmed profitability rates, with the level of rates in similar units in the area and abroad, with legal regulations etc.

In conclusion, the basic tourism services are represented by lodging, food, treatment and sports.

5. Research on the Online Promotion of Prague

The key elements that offer the efficiency of a website are: the website design, the content, the structure, the security and the architecture of the website.

A website is a collection of documents that have the role of informing and promoting a certain institution, region or person.

The city of Prague has at its disposal a lot of such websites whose purpose is the promotion of the image of the Czech people and of their culture all over the world. Thus, the website represents the most accessible means to promote tourism in the Czech capital.

The emergence of various websites on Prague lately has helped tourism worldwide to understand the real image of the city, to know the culture of Prague, to take note of the main attractions in the area, often stimulating one's desire to travel in this city in order to experience all these things – discovered on specialized websites – that aim at the promotion of the image of the city and of the Czech people.

Every website on Prague is complex, with a fairly well-structured content, which helps one realize as realistically as possible everything that Prague means.

The well-structured and concise information, the images of the city and of tourist sights, the important moments of the city history, the analyses on its general infrastructure help tourists know and understand better the cultural and tourism importance of this region.

Tour operators play an important part in the development of tourism in the city. They create travel tourist packages and leisure trips, functioning as intermediaries between providers and consumers, through the distribution of tourist packages to various agencies.

They also have an important role in online image promotion, through the presentation of various tourist offers to clients throughout the world, of tourist packages that contain a number of accommodation nights, of catering activities, of facilities, of organized trips, all at a medium price in order to attract as many tourists as possible.

Websites such as Wikkitravel or Bookingcz.com are only two examples of the most important ones whose aim is promotion via informative and ample presentations to tourists.

The importance of website promotion in the economic activity has translated in the great number of reservations in various tourist locations in the area, especially in hotels, which represent the most common type of accommodation, and in the tourist packages sold. The number of reservations increased a lot in 2010 and 2006, which were the most significant years as far as the number of visitors in Prague.

In this way Prague is visited by almost a million and a half foreign tourists annually, the authorities being very satisfied with the financial recipe promoted with the help of various websites.

Specialized websites have directly brought their contribution to economy, tourism developing alarmingly positively for the local authorities.

An important role is held by the website design and by the information on the history, the regional culture, the politics and the economy of the place, and the images attached to every category highlight even more a well-planned promotion whose objective is culture promotion and commercialization and the intensification of tourism activities.

The recent increase in the number of hotels, which have reached three hundred, is mostly due to these websites with information on Prague.

Tourists can get informed and view photographs with the hotel room and the facilities offered there that are included in the tourist packages.

One of the main elements or factors that can be found at the basis of the image promotion of Prague worldwide is the website.

The website offers a wide range of services to the client, who can access it whenever convenient to find out information that can be useful.

Therefore, a lot of information websites have been created about the Czech capital, precisely in order to promote the image of the city in the world, the aim being to attract clients and implicitly to develop domestic and international tourism.

The most efficient way to promote the image and the culture of a city or region is the creation of a website, for multimedia access. The role of the website is crucial in the attempt to promote a city culture and history.

The website needs to have primarily an efficient search engine that is well-known globally. Consequently, in the creation of the websites on Prague we have chosen “Google”, and the motivations to support this choice have been multiple.

Nowadays Google holds the supremacy in the field of search engines, being the most popular among users worldwide.

Google is the greatest possible search engine and it is rated the fifth in the top of the most populated sites in the world.

Let us review a few of the data introduced in its official presentation: it has a support of over one hundred languages, approximately one billion pages, approximately eight billion indexed pages and around 89,9 million users monthly. Hence, we may understand better the role of a search engine in the promotion of a region and in accessing a website.

The creation of the Prague website needs to meet the following requirements: security, design, architecture, structure and content.

It is important that the image of the website be modern, so that the media should be attracted to its architecture.

The image of a website matters enormously in the relation with the media. It must contain ample and well-structured information so that the media should have access to all the details on regional culture, on the city history and on the economic activity in the area.

For each tourist presentation it is imperative to have a photograph of the tourist sight that is being introduced, in order to offer to those who access the website the possibility of an overview of the place to gain a general perspective on it.

The carefully selected information and the website address form lead to the attraction of a great number of tourists that contribute to the country GDP and to the unconditional development of tourism and of the economy in the area.

It is better to have an English translation of the website as this is the main international language, any other language raising the difficulty of understanding the content of the website.

Tour operators and tourism agencies play an important part as well, through the presentation and distribution of the tourist packages.

Therefore, a website must contain tourist package offers of different hotels or accommodation units in Prague, so that the tourist should be able to outline and make a choice regarding the destination.

At present, the Internet plays a very important role in the global economic business and websites are greatly valued by both economic agents and the media.

The role of the Prague website is that of attracting not only tourists in the area, but also other foreign investors, this being the basic policy of the local authorities. The advantage of the promotion website in comparison with the brochures from tourism agencies is that the former may be viewed by anyone in the world.

Conclusions

Prague is the capital of the Czech Republic and its main source of tourism. Due to its geographical position, Prague is a historical mediaeval city, a city of international congresses, full of culture that draws tourists in great numbers every year, all of whom want to visit the city of a hundred towers, the second Paris, or the Golden city.

The sights attract a lot of tourists here from all over the world, contributing to the gross domestic product of the Czech Republic, the average of the GDP in Prague being double in comparison with the rest of the regions in the country.

The city represents the main source of tourism in the country, and the revenues from tourists increase the level of tourism in the external balance of payments.

The charts representing the number of tourists arriving in the country in the past few years show a progressive development of tourism in Prague in the last period.

The promotion of the city image through tourism is accomplished with the help of the Internet and of the website that brings about a series of advantages.

Surely, Prague holds the financial recipe for success in the economic and tourism activity, its annual revenue being counted in millions of dollars, a remarkable fact if we think about the period of crisis that we are now going through.

References

1. Dimitrios Buhalis, *E-Tourism: Information technology for strategic tourism management*, England 2003
2. Roman Egger, Dimitrios Buhalis, *E-Tourism- Case studies*, Elsevier, 2008

3. Yoel Mansfeld, Abraham Pizam, Tourism, security and safety: from theory to practice, The Management of Hospitality and Tourism Enterprises series, 2006
4. Christian Longhi, Usages of the internet and e-tourism: towards a new economy of tourism, CNRS, 2008
5. www.praha.org