

# A NEW CHALLENGE FOR THE ROMANIAN BUSINESS ENVIRONMENT – ORGANIZING EVENTS

Nicoleta CRISTACHE, Lecturer, Ph.D.  
Faculty of Economic Science, University Dunarea de Jos Galati  
Sofia DAVID, Lecturer Ph.D. Student  
Faculty of Economic Science, University Dunarea de Jos Galati

**Key words:** business environment, organizing events, tourism

**Abstract:** The importance of business tourism on international level cannot continue to be sub evaluated. The conferences, the exhibitions, the dynamic trips and the individual business tourism shows a rising which comes back to the classic tourism. In the past two years organization, in Romania, of important conferences and congresses, which took part in very good conditions, created a very positive perception about Romania as a destination for international reunions.

Governed by a very good communication, transparency and professional cooperation, the professional organization of industry events is a part of hospitality industry generative of a good image and important incomes for every destination. At a world-wide level this industry is a dynamic phenomenon, which seldom makes operative or associative efficient structures between professionals in the area.

It can be considered as the most efficient and profitable component in tourism. Nowadays organizing reunions is an industry in its own, having common activities with business tourism (accommodation, catering, local transportation, pre and post congress tours), but also specific activities: registration of attendants at the congress, lending the spaces and locations for conference, assuring the audio-video equipments, technical assistance, interpreters and translators, hostesses, organization of social programs, producing promotional means and objects for the event, typing brochures, catalogs, paper cases, etc.

In the last years, the world's tourism circulation has more and more as a motivation the individual or group traveling with the purpose of participating at international congresses, exhibitions and specialized fairs, business forums, training sessions and team building programs. In this context, traveling arrangements in professional and business purposes assume a series of other services.

In this context, Romania becomes more and more an attractive destination for this kind of activities. Romania's European Integration has and will have a positive impact on tourism because it will ease the way of accessing communitarian funds for investments in infrastructure and raise the attractiveness for international events.

This industry will register growths due to the accelerating rising of business market in Romania. This, claims developing some investment programs in infrastructure and in comfort hotels.

Romania is holding, with more and more success in the last years, in the competition with classic event locations relying on some advantages which make it a point of reference for developing this industry in Eastern Europe. Thus, Romania's best cards are:

- Great location in the central-eastern space of Europe, easily to accede by air with almost every capital of the world;
- Political and civilian stability;
- Infrastructure for conferences and exhibitions, in a process of modernization, diversification, and fast extension, with possible foreign or mix investments quickly redeemable;
- The most famous hotels and multinational companies, already in Romania, competing with local offer for 3-5 stars;
- An investment process in projects for building hotels of 4-5 stars;
- Small prices, comparing with other European countries;
- An advance stage of implementing international standards in hospitality;
- Professional specializing of more and more Romanian companies which have the capacity of taking over the organizational process, becoming trusting partners for organizers all over the world;
- Original destination, ready to impress the visitors with an unique combination of natural, cultural and historical values well kept and displayed with hospitality in all regions of the country;
- Full service packets which include well equipped conference rooms, specialized personnel, superior standard hotels, transportation from airport to hotel, ticketing, simultaneous translation, divertissement and festivity dinners.

Attracting international events towards Romania is a priority direction which should be followed for promoting Romanian tourism. Between the suggested destinations for events, Bucharest is leading detached with 60-70 % from all market. Other cities are those with airports and well developed, with modern hotels like: Timisoara, Cluj, Constanta, Iasi.

The professional organization of events is benefic for the public image of the country as well as for the local economical agents involved in the organizational process. The results are incomes, taxes and income taxes for the local budget, jobs, but also a great capital of image [Aaker D., 2005].

It's necessary a cooperate perception from authorities and local administration to stimulate these activities, useful for the community.

What makes from this industry a real utility far local community is the financial reality, extremely profitable of these activities. Beside incomes resulted from organization of a reunion, which repays the efforts and services of suppliers who sell services, the local community, the government and the municipality which lodges the event, benefit of some adjacent incomes.

The success of a reunion organization has implications in present and on long terms. On a long term the success of the event could ease the coming back of the participants, as tourists and as businessmen and, why not, maybe even as investors on the local market.

At the same time organizing an event in a specific destination is an opportunity to promote that country or area, as a tourism destination. The attendants have the advantage of their professional visit to get to know that country and spent some pre or post congress free time. It depends on the ability and creativity of the organizer, how representative for the destination and how attractive, these programs will be for the attendants.

In this context, the reference is made at the world's industry. Additional, guarantying professional services at the highest standards assures the credibility and

profitability of area business and can forward generate benefic, long term effects.

Evaluating Romania as a chosen destination for its event, a beneficiary takes into account some criteria based on competition, assurance and credibility of the local business environment, criteria toward which Romania shows a great deal of advantages. All these qualities are confirmed by clients who have already entered in contact with Romanian professionals and gained from their services.

Even if the support from local and national authorities is insufficient for promoting this industry – specially the international one - as a mean of developing every region, even if the local distribution of conferences and exhibitions facilities are unequal, even if the major investments in infrastructure are waited, still our country has made, in the last 13 years, an important progress concerning events by straightening slowly but surely towards the place they deserve on the world's map of tourism events. Romania has become an accepted and appreciated destination, more and more competitive with other classic destinations for events.

In Romania the number of companies which are specialized in this kind of activities is rising by following the world's tendency regarding the receipts from events tourism.

An event must be seen as a complicated process which supposes multiple approaches: from its strategic planning, till its full administration and materializing. The first parts involved in an event are:

**1. The beneficiaries or the initiators of the event.** We can include here:

- Private or state companies, Romanian or mix.
- Public or governmental institutions.
- National or international professional associations.
- Research institutes in different domains.

The beneficiary usually initiates an event – a conference, a congress, a lecture, a seminary, a training session, etc. – on a periodicity principle, most reunions having more than one meeting and a yearly rhythm.

Many times the beneficiary is looking for a new destination for each edition, as to offer diversity and something spectacular to the event, but also for strict reasons (thematic, the origin of most attendants, etc.). More and more external clients choose Romania as a destination of their events: The Yearly Parliamentary Meeting of OSCE (2000), The Yearly Conference and The General Meeting of BERD (2002), The World Congress IRU – The International Union of Road Transporters (2002), The EMAS Congress (2003) are just a few examples in the last years.

The beneficiary is most of the times a stranger of tourism domain in general and of events planning. From a commercial point of view, his attributions are mostly about the event itself, making lists of potential participants, making the scientific program and identifying the most pertinent lecturers, as well as supervising the administration of budget, sponsors, governmental financing non repayable.

**2. The event attendants** are either physic persons, either companies or institutions which send their representatives at reunion, as well as personalities, specialists, researchers, official guests. Adding local and central authorities which, according to customs they offer the honorific patronage or facilities for local or international events of major importance for the county.

**3. The services joiners** for reunions or companies which have the professional ability to identify, to plan, to administrate and to operate. Companies like this could be:

- Professional planners (PCO/PEO), specialized companies on offering a full structure of necessary services for a conference.

- Tour agencies and of destination management (those agencies which have PCO abilities)

As commercial practices, the joiner's activity is about giving directly or not, the full structure of necessary services for the event.

In Romania the number of companies which are specialized in this kind of activities is rising, following the world's ascendant tendency concerning the collecting.

The services suppliers for reunions cover a various range of domains, involving themselves in the planning process as:

- holders of conference spaces
- holders of accommodation
- suppliers of local transportation (individual transfers or group APT/HTL/APT or HTL/CONF/HTL)

- Catering companies and restaurants which assure the necessary functions for dinners, cocktails, receptions, coffee breaks.

- Translators – interpreters for conferences

- Suppliers of technical equipment and audio-video devices (video-projectors, retro-projectors, flipcharts, IT and multimedia)

- Printing houses

- Advertising agents, PR and press.

Under a commercial aspect, the relation between beneficiary, suppliers and joiners could be:

- in full contract connection of the event by the joiner, who assures the logistic, informational and financial administration of the event

- Directly between the beneficiary and the individual suppliers on every service segment (case in which the beneficiary makes the event).

The first case, the beneficiary has the advantage of sparing time, human resources and eventual financial loses, because the PCO has the obligation to optimize the budget by negotiating with the suppliers the prices.

The practices, the terminology, the criteria and the demands are very complex in this industry [Grunig L., Grunig J., Dozeir D., 2002]. For the Romanian business environment to cope with these demands it is necessary a big responsibility for those working in this domain, as well as an impartial monitoring of the commercial and ethical rapports. These elements assure, on a long and medium term, the logical order on the events market in Romania.

For a good expansion of this domain associated to an image of a country it is recommended:

- Promoting Romania as a destination country for international events by all means, as well as sustaining this image through the local offer of specific services at the highest quality.

- Implementation on the local market of professional standards on an international level. In these conditions there is created the frame and the conditions which gives Romania the chance of becoming a viable and trustful partner on the international market of tourism events.

Realizing all these wishes can be made by following some directions:

- promoting and professionalizing these planning of events by electronic means
- extending the consultancy and promoting activity

- writing, knowing and applying professional measures, standards and rates in the domain, generating even legislative initiatives
- Optimizing profession education in hospitality industry, by training the personnel in authorized centers.

As tendencies register on the Romanian's meetings market, we can mention:

- The meetings have become "greener" by pointing out the ecological dimension of each meeting
- They all have endowments to make it accessible for persons with special problems
- Pursuing material structures from a facility and endowment point of view as to raise the number of feminine participations in business tourism in general.

According to specialists, in Romania there will be a 7 to 10 % rising in the following 5 years on events planning offer.

In the last 10 years it was registered a 53 % rising of all business trips, surpassing the rising trips in general. It's estimated for the stimulus conferences and trips a big rising till 2010. The incomes from international business tourism are estimated to 49% of the total incomes from tourism till 2010.

It's a contribution as well for developing the direct commerce with produces and services, facilitating the export and the investment, raising information, more knowledge and network traffic. It's also a way to encourage spending more because of the attractive spare time offer.

To keep the competition the business tourism industry must offer constantly a balance between the facilities and the high quality standards, which are the key towards the international public. By giving it the needed support and the recognition, this area will pave the way towards raising the quality of commerce and tourism.

## REFERENCES

1. Aaker D. (2005) - *Managementul capitalului unui brand*, Ed. Brandbuilders;
2. Grunig L., Grunig J., Dozeir D. (2002) - *Excellent Public Relations and Effective Organisation*, Ed. EA, New Jersey;