

SPECIFIC MANAGEMENT AND LEADING METHODS APPLIED TO BUTTERFLY TOURISM FOR 2012

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Abstract

In this paper are explained the most important management elements for managers and employees of a tour operator agency. The study showed in a concrete and realistic manner how a manager of a tour operator agency can lead, control, predict and determine the prospects utilizing a specific management method called dashboard. Given the competition in the field of tourism, Butterfly Tourism is trying to manage its business in a professional manner and offer attractive packages and favorable prices to its customers.

Key words: dashboard, diagnostic, leading, meetings, tourism

INTRODUCTION

Tour operators are concerned with the design and creation of tourism products and main objectives: market research and forecasting research, product research, development of tourism products, tourism pricing for those designed products.

The rapid development of tour operators generated changes in the management of companies and their operations become an imperative solid financial basis to enable them to pay the charter price. Consequently, some tour operators have been absorbed by large corporations with diversified activities, others have been associated with airlines and hotel chains, and others were involved in the development of tourist resorts.

At present, Romanians want complete offers increasingly focused on vacations which are guaranteed at the best value for money.

For this type of touristic package, a tour operator needs financial strength, experience, specialized teams, especially large volumes of tourists. A strong tourism trust means bargaining power with foreign partners, be they hoteliers, airlines and local tour operators. [1]

Tour operators are well-placed to support suppliers in improving their economic, environmental and social performance. As tour operators deal directly with potential customers, they understand their clients' growing demands for high quality and sustainability. They also often have access to technology and information that smaller suppliers may have difficulty obtaining on their own. Because tour operators deal with a wide range of different suppliers, they can more easily gather information on a variety of best practices and facilitate the sharing of experiences amongst suppliers.[2]

The coordination tool used by the manager of Butterfly Tourism is to establish deadlines at the begging of the day and check them at the end of the day. In another situation, if the tasks are more difficult, the verification will be done in couple of days.

The objectives of the future innovation and development are: market knowledge and competition, creation of many different packages and new technological advances continuously.

Management initiatives:

- It is very important that the tour operator to know the tourist market by conducting market

surveys and questionnaires to customers/potential customers.

-Creating and promoting new and different packages so that any customer who wants a vacation to find the right offer.

-Creating new packages from time to time to always be in line with market requirements.[3]

MATERIALS AND METHODS

The study was performed for a period of two months in 2013 within Butterfly Tourism, which is located in Bucharest. The processed data refer to the year 2012, analyzing in detail: specific managerial functions of Butterfly Tourism (management forecast – the prognosis and economic future), how to coordinate and how is applied the method of evaluation. Also the management methods adopted by Butterfly, namely: management method through meetings, by product, by diagnosis (SWOT analysis), by objectives and by dashboard are also described.

RESULTS AND DISCUSSIONS

Specific management functions

1) The forecasting function

The tour operator Butterfly Tourism doesn't want to expand the business by opening a new subsidiary in Romanian, considering this action an unnecessary promotion, because they have loyal customers and to make additional expenses it's not a solution. Besides this, Butterfly Tourism has no longer participated in the Romanian Tourism Fair in the last 3 years, because this requires labor and high costs. Last hiring occurred 3 years ago for the ticketing job.

The forecast stages are:

Stage 1. Awareness of the market opportunities, customer requirements and their weaknesses of the technological level

Butterfly Tourism would like to be a pleasant surprise for its customers by creating special offers and travel packages, and for this reason it pursues the market opportunities and most important customer desires. It wants to have unbeatable offers related to the quality and

tariffs, to attract more customers and increase its own profit.

The wishes of Butterfly Tourism are to be in a permanent contact with its customers and their preferences in terms of travel packages. The employees use efficient and fast program, such as Amadeus program for booking flights and Hotelcon for accommodations.

Stage 2 – Goals Setting

- Increasing income by 20% by increasing the number of leisure and corporate customers.

- Increasing the number of customers by 15%.

Stage 3. Establish the internal and external premises before applying the plan:

Internal premises (2012):

- effectiveness of teamwork;
- managerial control on the employees and of accounting;
- training of employees in achieving the goals;
- more promotion;
- pleasant working environment.

External premises (2012):

- promotion made by customers and employees;
- existing prestige known by customers and collaborators.

Stage 4. Depending of the purpose, comparison the alternatives

Goals alternatives achievement:

- Massive and aggressive promotion;
- Salary reduction and increasing the working hour from 8 hour/day to 10 hour/day;
- Removing the employees days off and shorting the leave;
- Unfair competition;
- Reducing the quality of travel packages;
- Creating new different and special travel packages;
- Attracting new customers by offering them special and promotional offers.

Stage 5. Choosing the convenient alternative

Choosing the alternative depend by different criteria which doesn't affect neither the economic environment nor social one.

- Attracting new customers by offering them special and promotional offers;
- Creating new different and special travel packages.

The description of economic future

Butterfly Tourism came to the market with 4 exceptional travel packages, as follows:

Golf packages – it's a luxury package, because golfing is seen in our country as a sport for rich business people. If Romanians would know better this sport, would be many amateurs and would see that it is not an elitist sport. That is why Butterfly Tourism wants to promote this sport among people and meet the most demanding customers.

Safari packages – a visit to Kenya will provide the to a customer an unique experience, where he could explore the Amboseli National Park very close to the herds of elephants, black rhinos, buffalos, zebras, giraffes, gazelles and famous African feline. Tourists could see the most popular reserve of Kenya – The Masai Mara National Reserve - where they could capture wild creatures of the savannah. Besides all these wonderful things, the tourist can take a sunbath on the golden sands of Monsamba beach.

Spa and Wellness package – this package provides a lot of opportunities for customers to escape the stress of daily life, and allows him to enter into an oasis of calm and peace, where all that matters is their person.

Outlet shopping package – in this package are included: Belgium, France, Germany, Ireland, Italy and Spain. The tourist can shop from the prestigious brands and can enjoy the few days spent in the big cities of Europe.

These special packages were made 2 years ago, and in economic terms the results are exceptional. Regarding costumers, they can choose the ideal travel package created for every type of need.

2) The coordination function

This process is effective, because the manager can create a pleasant working environment and proper for each employee. Every employee knows what to do until the end of the day and this function can work very well in the long term economically.

One of the most important processes of coordination is: "communication". First of all, communication is achieved between the manager and employees, and secondly, communication is done between employees.

Communication is very important for Butterfly Tourism because it's a starting key to function at maximum.

The communication system is realized via 2 ways: direct (meetings, open communication) and indirect (Outlook, Yahoo Messenger, by phone).

Butterfly Tourism uses different programs, and for that reason the information can reach at time between departments. Most used programs are: Outlook, Yahoo Messenger, Yahoo Mail which are effective both between employees and between employees and customers. It's very important that the exchange of messages between employees to remain archived, thus avoiding unpleasant situations between them and between Butterfly Tourism and its clients.

3) The control function

The control methods are composed of actions and decisions taken by the manager to ensure that the result coincides with the proposed result.

The control methods applied by a manager are:

- Quality control. This control helps to increase sales but in the same time helps to increase the number of customers which are choosing the tourism services of Butterfly Tourism.

- Accountant control. The manager establishes the budget and checks it periodically. Apart from this, the manager verifies from time to time (unplanned) the balance sheets to ensure that it is constant and no losses.

- Employees control. The manager is the one who selects, directs, develops and evaluates its employees, analyzing their behavior periodically.

The manager found it necessary to organize a team-building in November 2012 at Moeciu having as main goal: Development in a original way the relations between employees, combining teamwork with learning and relaxing.

The team-building was done at the end of the year (in November) so that employees can relax and enjoy a well-earned short vacation. They were guided to spend as much time together to highlight the fact that it is very

important to form a team, relieving their daily work visible.

Team-building conclusions:

- Employees have learned that the group dynamics is important for creating a pleasant environment and for increasing the efficiency of the agency;
- Employees have been fulfilled expectations with this team-building;
- The employees have become more responsible in fulfilling their activities and began to highlight their skills.

The team spirit and the team itself are 2 very important things for Butterfly Tourism and for manager, especially when the latter demand performance and special skills from their employees. The purpose of this team-building was to create a harmonious working environment, to integrate the skills, creativity and talent of employees.

Resulted the following benefits:

Benefits for manager:

- the increasing of economic efficiency;
- the non-financial motivation of employees;
- the creation of pleasant working environment;
- the reducing of stress.

Benefits for employees:

- 2 days spent in group, combining relaxation with intellectual stimulation;
- the discovery of new things about personality of the employees;
- improving the responsiveness to critical situations and risk taking;
- the reducing of stress.

Leading methods adopted by Butterfly Tourism

A. Leading method through meeting

The Butterfly Tourism manager regularly established meetings, in which he informed the employees about various and important things such as:

- various changes or announcements;
- provide information to certain areas;
- important decisions made;
- harmonize the working environment;
- investigate unknown future economic areas.

The meetings are periodically organized (monthly and year-end) or when is necessary to solve an urgent situation. Meetings are

usually held at the end of day in order to have more time available.

The manager establishes some specific point that wants to achieve in the meeting session. After the discussions, the employees have the opportunity to ask him questions.

B. Leading method through product

The Disneyland –Paris offer contains 7 themed hotels (with 4*, 3* and 2*) and associated hotels (with 4* and 3*), but in the following lines, this method was applied for a single hotel – New York hotel 4*

Strategies – the covering of services after market barometer

The manager decided to create this new travel package at Disneyland Resort Paris in order to have the largest range of offers for existing or possible customers. The marketing department has investigated the market and decided to create this new offer and other travel packages including mainly the amusement parks.

The loyal customers of Butterfly Tourism were asked about their opinions regarding amusement parks from France and if they want to spend their holidays in this wonderful place. Most of them were excited about the idea of taking their children to Disneyland in holidays.

Price strategy and competitive tariffs

The tariffs established by agency for this offer (Table 1) are the most reasonable in comparison to other famous agencies. Butterfly Tourism wanted to provide quality services at reasonable tariffs, because he wants to attract a new niche of customers.

Table 1. Tariffs- Disneyland- Paris offer

Package	Tariff/adult-Standard room*	Tariff / child	
		0-6,99 years	7-11 years
2 days/1 night	209	free	88
3 days /2 nights	324	free	107
4 days /3 nights	443	free	122
5 days /4 nights	566	free	138
6 days /5 nights	683	free	153
7 days /6 nights	799	free	169
* tariffs starting from, with early booking reduction of 25% on			

Source: Butterfly Tourism, 2012

Offer availability related to the material basis, market demands and availability of service providers

Before created this offer, Butterfly Tourism had to take in mind some point such as material base, market demands and availability of service providers. In related to material base, the offer was created taking into account all the internal -such as exposure site an newsletter delayed- and external factors -lack of customers, cancelation of holidays, not paying on time the vacation-.

The market demands were clearly analyzed so the offer can penetrate the open market such as Disneyland Resort Paris.

The service providers were available from March 29 to November 7 in 2013, on which it can be seen that the period included both the high and low season, and you can see that the tariffs were very tempting to customers.

Strategy for quality of services

The services offered are of high quality, as all travel packages offered by Butterfly Tourism. The agency is aware that the quality services give rise to more customers and therefore they are responsible for all that happened from the moment of departure with Tarom (from Otopeni airport) until the return of client with Air France (from Charles de Gaulle airport).

The concept of tourism product

Usefulness: customer satisfaction;

Achievement: the offer was created to fulfill the desires of children to reach at Disneyland and to provide a great, amazing and peaceful holiday to their parents. To achieve this offer, were set out the departure from Bucharest, the airlines and the accommodation at the New York hotel 4*.

Marketing: Disneyland offer appeared on the agency's website, was send via newsletters, also promoted on Facebook and sold in the selling point from Barbu Delavrancea Str. – Bucharest.

Competitiveness: the offer had the most favorable quality – tariff ration compared to other tour operator agencies.

Finding the sales market

The Disneyland resort Paris is the perfect place for spending holidays both for children and for adults, being among the favorite

destinations of tourists everywhere. This travel package offers the opportunities to meet the childhood favorite cartoons. Thus, they could meet Mickey Mouse, Minny, Pluto, Donald Duck and many other favorite characters. The offer was created to fulfill the wishes of young and to attract the adults in the wonderful world of Disney.

The control of ongoing services

The manager took care of tourist packages (accommodation + transport + meals) to be exactly what the customers requested. In the end, the customer most be pleased that he turned to Butterfly Tourism for choosing the vacation to Disneyland.

Knowledge of competitors and their potential

In was very important knowing the competitor market, because Butterfly Tourism was guided by this point in creating the Disneyland offer. The agency created this offer taking into account the opinions and needs of loyal customers.

C. Leading method through diagnostic

The leading diagnostic was achieved by using SWOT analysis as shown in Table 2.

Table 2. SWOT analysis - Butterfly Tourism

Strengths	Weaknesses
- quality – tariffs ratio; -incoming; -seriousness, adaptability to customer requirements; -car rental in over 4000 locations worldwide; -member of IATA; -prestigious international partners; -diversification for the widest range of tourists; -presentation of the offer by website and Facebook; -personalization of services; -loyal cutomers.	-decreased of profit by offering discounts; -poor sales in low season; -new tour operators on the market; -poor promotion; -a single subsidiary.
Opportunities	Threats
-business expansion; -participation in Romanian Tourism Fair; -increasing the internet usage for purchasing travel services; -creating a special blog through which the agency publish articles about their offers and customers have the opportunity to share their experiences.	-economic crisis; -unfair competition from competitors; -decrease of population incomes; -increasing unemployment.

Source: Butterfly Tourism, 2012

D. Leading method through objectives

Objective: Revenues increase with 20% by increasing the number of leisure and corporate clients.

Action programme: Butterfly Tourism has used all the human and material resources required to achieve the specified goal (human resources: 6 employees and material resources as a: newsletters, publications on Facebook, phone messages, e-mail). It aims to increase the number of leisure and corporate clients showing revenue growth with 20%. Proceeds for 2012 was Euro 550,000 and spending was about Euro 375,000, resulting Euro 175,000 profit for Butterfly Tourism in the year 2012.

Methods used:

The methods used to achieve the target set have been: by leading meetings at different times and by means of staff motivation (praise, thanks, pleasant working environment). The manager knows that employees are those who most help to the achievement, and for this reason he is always ready to provide them with support and assistance needed to reach the desired results.

Instructions:

The objective was achieved by respecting the working legislation, without violating any rights of clients or co-workers.

E. Leading method through dashboard

The leading method through dashboard refers to the financial perspective, customer perspective, internal perspective and the perspective of innovation and development. The aim is that the management activities have a successful outcome for Butterfly Tourism.

Financial perspective

Objectives:

- to increase revenue with 20% (By online promoting, and offer to both directions of interest: corporate and private clients);
- to increase the number of customers (This is achieved by promoting new offers both established and attracting customers through website, Facebook and mouth to mouth method);
- promotion inexpensively (The Agency wishes to promote heavily website and Facebook page and that users can subscribe to

newsletters to be always informed of new offers and discounts Butterfly Tourism Agency).

Customer perspective

Objectives:

- quality services (Butterfly Tourism puts great emphasis on offering for sale quality travel packages for all types of customers. It offers packages that meet all customer requirements, giving them unforgettable holidays!);
- over 13 years experience (Customers and potential customers put great emphasis on reputation and experience of the agency in this area. Therefore, Butterfly is well known as a tourist market in Romania and abroad.);
- staff very good and carefully (Employees have a decent outfit, follow a certain behavior and are always smiling to give customers a pleasant and family. It is a very important and decisive factor in the marketing of tourism products);
- correct prices (Butterfly Tourism provides quality travel packages at fair prices before putting all the comfort, safety and customer satisfaction).

Internal perspective

- professional staff, attentive and efficient (They are very attentive to all the customers who come into contact with the agency being responsible and showing professionalism in what they do. Employees work on schedule and going to end all the tasks they have to perform);
- a good manager (Organizes, leads and manages the entire business of travel agency to meet the objectives set);
- respecting the objectives (Both the employees and the manager wants to reach the objectives set out an important point for the agency);
- creativity (Butterfly Tourism seeks creation and sale of packages as different and varied to meet all requests received from loyal customers).

Perspective of innovation and development

- knowledge of the market and competition (Butterfly Tourism is very important to know the tourist market by conducting market

surveys and questionnaires to customers / potential customers);

- create many different packages with new elements (Creating and promoting new and different packages so that any customer who wants a vacation to find the right offer. Creating new packages are created from time to time to always be in line with market requirements).

CONCLUSIONS

Meetings within Butterfly Tourism are organized periodic (monthly and year-end) and ad-hoc when is necessary, they shall run usual at the end of one day.

For method leading by product, we characterized the package tour Disneyland Resort Paris. The manager decided to create this new package holiday to Disneyland Resort Paris in order to have the widest range of offers to existing customers or prospective customers.

The marketing department has been investigating the market weighing the possibilities of creating this new agency and offer travel packages to theme parks and other agency tour operator.

The loyal customers subscribed to newsletter Butterfly Tourism were asked about amusement parks in France and if they choose to spend their holidays in this place, voicing their opinions about open tenders. Most of them were excited about the idea to take the children on holiday to Disneyland. It was very important to know the competitive market because Butterfly Tourism was guided by it in creating Disneyland offer. The Agency created this offer taking into account the views and needs more loyal clients than competitive market.

The way the manager has established activities that aim to increase revenue by 20% by increasing the number of leisure and corporate clients to be touched, referring to the fact that Butterfly Tourism has used all human and material resources necessary to achieve the objective specified. Human resources manager used were the six employees of the agency, using material

resources (newsletters, publications on Facebook, phone messages, e-mail), the Financial missing.

Following the completion of the dashboard, the financial perspective objectives were: increased revenue by 20%, increasing the number of customers, promote inexpensively. Initiatives:

Promotion inexpensively. This is achieved by promoting new offers both established and attracting customers through website, Facebook and mouth to mouth method.

Butterfly wants to greatly promote our website and Facebook page and that users can subscribe to newsletters to always be informed of new offers and discounts.

Customer perspective objectives were: quality service over 13 years of experience, trained and attentive staff, fair prices. Management initiatives:

Put great emphasis on offering for sale quality travel packages for all types of customers.

Provides packages that meet all customer requirements, giving them unforgettable holidays!

Customers and potential customers place a lot of emphasis on reputation and experience in this field.

It is a very important and decisive factor in the marketing of tourism products.

Provides quality packages at fair prices before putting all the comfort, safety and customer satisfaction.

Objectives internal perspective: professional staff, attentive and efficient, effective manager, compliance objectives creativity. Management initiatives:

The staff are very attentive to all the customers who come into contact with the agency being responsible and showing professionalism in what they do.

Employees work on schedule and going to finish all the tasks they have to perform.

Organizes, leads and manages the entire business to meet objectives.

Both the employees and the manager want to reach the goals set for the agency is an important point.

□ Butterfly Tourism wants creation and sale of packages as different and varied to meet all requests received from loyal customers.

The manager and the employees are always in step with the progressive technology and are constantly informed about new programs in terms of booking.

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