Objectives and tasks of national tourism organizations (NTOs): examples of selected European post-communist countries

The present article constitutes a review of the most important objectives and tasks of national tourism organizations in those post-communist European countries formed during the 1990s. The authors’ intention was to demonstrate whether the objectives and tasks under examination are in accordance with those that are defined in the literature including among others the determination whether promotion constitutes one of the more essential forms of the activity of national tourism organizations (NTOs).

Key words: national tourism organization, objectives, tasks, post-communist countries

Jacek Borzyszkowski, PhD
Department of Tourism, Institute of Economics and Management
Koszalin University of Technology, Poland
Phone: +48 606 320 940, E-mail: jacbo@wp.pl

Mirosław Marczak, PhD
Department of Tourism, Institute of Economics and Management
Koszalin University of Technology, Poland
Phone: +48 600 890 607, E-mail: miromilan@wp.pl

Jacek Borzyszkowski, PhD, is a lecturer at the Koszalin University of Technology. He specializes in tourist policy and in organizational structures for tourism.

Mirosław Marczak, PhD, is a lecturer at the Koszalin University of Technology. He specializes in tourist marketing as well as tourist promotion and in particular tourist information.
Introduction

National tourism organizations (NTOs) play a substantial role in the creation of tourism policy in individual countries. Medlik (1995, p. 175) considers an NTO “… to be an official body being responsible to various extents for the development, promotion and coordination of tourism in a given state, which is recognized and also financed to a certain degree by the government”. Borzyszkowski (2005) presents a similar opinion; he claims that it is an organization of public and private cooperation, which is financed to a considerable extent from the state budget. It is mainly responsible for the tourist marketing of the target country and other operational functions (including the development of tourist products and tourist information). It is generally accepted that an NTO is first of all responsible for the tourist promotion of the target country. NTOs are organizations which the government has entrusted with the responsibility for tourist issues on the national level (Middleton, 1996). It is generally accepted that an NTO is an entity with an overall responsibility for marketing a country as a tourism destination (Pike, 2004).

Middleton (1996, p. 241) states that each NTO has an option of two strategies: a promotional one or a supporting one. The first one of them involves the realization of promotional programmes aimed at transmitting the image of a given country and the main promotional slogans to the target segments of potential visitors. Decisions concerning the assignment of a greater part of the budget for the purpose of the promotion of a positive image and an awareness of a given country constitute the most obvious and convincing of all the directions of the activity of an NTO. In this case, we deal with the applications of the basic promotional tools. The other strategy concerns activities for the support of the tourism industry.
The history of NTOs in Europe demonstrates that they were first established in highly developed states, including Germany (1948), Austria (1955), Denmark (1967), the Netherlands (1968) and Great Britain (1969) (Borzyszkowski 2005). This process of NTO creation was observed much later in the so-called countries of the former communist block (cf. Table 1). This situation was chiefly the result of an insignificant role of tourism in the policy of these countries. Furthermore, the activity of NTOs is mainly based on the cooperation of the public sector with the private sector; the latter sector did not practically exist in the socialist countries at that time.

### Table 1. Establishment of national tourism organizations in selected post-communist countries

<table>
<thead>
<tr>
<th>No.</th>
<th>State</th>
<th>Name of organization in the national language</th>
<th>Name of organization in the English language</th>
<th>Year organization established</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Croatia</td>
<td>Hrvatska Turistička Zajednica</td>
<td>Croatian National Tourist Board</td>
<td>1992</td>
</tr>
<tr>
<td>2.</td>
<td>Czech Republic</td>
<td>Česká centrála cestovního ruch – CzechTourism</td>
<td>Czech Tourist Authority: CzechTourism</td>
<td>1993</td>
</tr>
<tr>
<td>5.</td>
<td>Latvia</td>
<td>Tūrisma attīstības valsts aģentūra</td>
<td>Latvian Tourism Development Agency</td>
<td>2002</td>
</tr>
<tr>
<td>7.</td>
<td>Poland</td>
<td>Polska Organizacja Turystyczna</td>
<td>Polish Tourism Organization</td>
<td>2000</td>
</tr>
<tr>
<td>8.</td>
<td>Serbia</td>
<td>Turistička Organizacija Srbije (Turistička organizacija Srbije)</td>
<td>National Tourism Organisation of Serbia</td>
<td>1994</td>
</tr>
<tr>
<td>9.</td>
<td>Slovakia</td>
<td>Slovenská agentúra pre cestovný ruch</td>
<td>Slovak Tourist Board</td>
<td>1995</td>
</tr>
</tbody>
</table>

Source: Authors’ own research and Slovenská agentúra pre cestovný ruch (2010, p. 5); Hungarian National Tourist Office (2006, p. 31); Hrvatska Turistička Zajednica (2010); National Tourism Organisation of Serbia (2010); Vlada Republike Crne Gore (2007); Enterprise Estonia (2010); Tūrisma attīstības valsts aģentūra (2010).
The purpose of this article is to present the chief objectives and tasks of NTOs in selected post-communist countries. Thereby, the authors wish to provide an answer to the following question: Are the purposes and tasks of NTOs under examination similar to the universally accepted rules of the functioning of NTOs? For this purpose, several organizations were analyzed in the selected countries. The analysis was carried out on the grounds of a review of the available sources including documents (statutes, annual activity reports) and the websites of NTOs. A review of the literature concerning the problem analyzed was the starting point for the description of the organizations examined from post-communist countries. In the final part of the article, the primary objectives and tasks of NTOs in selected Western European countries are provided for comparison.

**Purposes and tasks of national tourism organizations according to the literature**

National tourism organizations play a significant role in the creation of modern tourism of individual countries. They are recognized as one of the forms of the so-called Destination Management Organisations (DMOs). DMOs are defined by the World Tourism Organization (UN-WTO) as (...) „organisations responsible for the management and/or marketing of destinations” (World Tourism Organization, 2004, p. 3). According to Majewski (2007, p. 178), these are “(...) organizations which are responsible for the coordination and support of the activities of all those
entities which are involved in the marketing of destinations”. Destination Management Organisations may occur in one of the following forms:

- national tourism authorities (NTAs) or organizations (NTOs), responsible for management and marketing of tourism at a national level
- regional, provincial or state DMOs (RTOs), responsible for the management and/or marketing of tourism in a geographic region defined for that purpose, sometimes but not always an administrative or local government region such as a county, state or province
- local DMOs, responsible for the management and/or marketing of tourism based on a smaller geographic area or city/town (World Tourism Organization, 2004, p. 3).

According to Morrison, Bruen and Anderson (as cited in Presenza, 2005), DMOs perform five fundamental functions, i.e. they are:

- an “economic driver” generating new income, employment, and taxes contributing to a more diversified local economy;
- a “community marketer” communicating the most appropriate destination image, attractions, and facilities to selected visitor markets;
- an “industry coordinator” providing a clear focus and encouraging less industry fragmentation so as to share in the growing benefits of tourism;
- a “quasi-public representative” adding legitimacy for the industry and protection to individual and group visitors;
- a “builder of community pride” by enhancing quality of life and acting as the chief “flag carrier” for residents and visitors alike (Presenza, 2005, p. 3)

As emphasized by Heath and Wall (as cited in Presenza, 2005), an essential portion of the policy of DMOs can be attributed to non-marketing activities. They include the following main
tasks: formulation of strategies, representation of the interests of all those entities which are interested in the development of tourism, marketing of destinations and a coordination of some activities concerning the development of tourism (Presenza, 2005, p. 3). In accordance with many views, NTOs, as one of the present-day forms of DMOs, are mainly responsible for tourism promotion. However, it is also generally accepted that the scope of their activities is considerably wider (cf. Table 2).

Table 2. Scope of competences NTO according to different authors

<table>
<thead>
<tr>
<th>No.</th>
<th>Sphere of activities</th>
<th>W. Fedyk</th>
<th>H. Gibson</th>
<th>K. Łopaciński</th>
<th>K. Millington, R. Cleverdon</th>
<th>D. Szostak</th>
<th>J. Walasek</th>
<th>H. Zawistowska</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Tourism promotion</td>
<td>+</td>
<td>+</td>
<td>+</td>
<td>+</td>
<td>+</td>
<td>+</td>
<td>+</td>
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<tr>
<td>2.</td>
<td>Tourist statistics</td>
<td></td>
<td>+</td>
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<tr>
<td>3.</td>
<td>Research of tourist market</td>
<td></td>
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<tr>
<td>4.</td>
<td>Legislation, legal regulations and solutions</td>
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<td>5.</td>
<td>Trainings of tourist personnel</td>
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<td></td>
<td></td>
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</tr>
<tr>
<td>6.</td>
<td>Tourist planning</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>+</td>
<td>+</td>
<td></td>
</tr>
<tr>
<td>7.</td>
<td>Cooperation, support for tourist branch</td>
<td>+</td>
<td>+</td>
<td>+</td>
<td>+</td>
<td>+</td>
<td>+</td>
<td></td>
</tr>
<tr>
<td>8.</td>
<td>Quality of tourist services, development of tourist</td>
<td>+</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>+</td>
<td></td>
</tr>
<tr>
<td></td>
<td>products</td>
<td></td>
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</tbody>
</table>


It is worth noting that many authors indicate a significant scope of functions of the present-day NTOs. For example, according Pearce (1992), critical NTO functions are marketing and development alongside planning, visitor servicing, research, coordination and lobbying. According to Bhatia (2006), the national tourism organisation is likely to be concerned with four broad ar-
eas: administration, production, marketing and financing. Choy (1993) adds that their priorities should evolve over time and development, marketing, management or innovation take precedence in accordance with the phase arrived at in the product life cycle. In addition to marketing responsibilities, NTOs have developed other functions. In the developing world they are often used to encourage and facilitate product development, acting as a conduit for government grants and subsidies designed to increase the nation’s offerings and competitiveness (Murphy & Murphy, 2004). What is more, crisis management has become another essential competence, its relevance underlined by the heightened terrorism threat of the past decade and the vulnerability of tourism to associated dangers (Henderson, 2004). What is interesting, Jayapalan (2001) states that research is the basic function of an NTO. Furthermore, NTOs should be responsible for other tasks including the following: “information and promotion within a country, regularisation of standards of lodging and restaurants, control of activities of private travel agencies, publicity overseas, technical and juridical problems, international relations, development of selected areas and overall tourism policy and promotion” (Jayapalan, 2001, p. 58).

It seems worth noting that apart from a typically theoretical approach, one should pay attention to the scope of competences of the specific NTO as in the research conducted by Borzyszkowski (2005), who made an evaluation of the scope of the activities pursued by 14 national tourism organizations in Europe. An analysis of those legal acts which regulate the activities of NTOs and their official publications (reports and websites) confirms the assumption accepted by Middleton (1996), according to which NTOs realise marketing activities in the following scope: formation and development of the tourist product and its promotion to the appropriate markets.

It seems that it is not only the scope of the activities of the individual NTOs but also their perceived importance which has an essential meaning here. Borzyszkowski (2005) reports re-
search where the staff of 10 national tourism organizations, with the use of a method consisting in assigning numerical values to the individual activities, assigned appropriate importance values (in the scale from 0 to 5) to the issues examined. It was demonstrated that from the point of view of the functioning of NTOs, the most important activities of these organizations concern the following: cooperation with the tourist industry (4.8), publishing activities (4.6), information (4.5), promotion (4.5), market research (3.8), development of existing tourist products (3.4), stimulating of the development of tourism in regions (3.3), creation of new tourist products (3.2), an improvement of the quality of tourist services (3.2), investments in the area of tourist infrastructure (2.1); cf. Borzyszkowski (2005, p. 75).

Cooperation with the tourism industry achieved the highest value (4.8), which can prove to a certain extent a fairly new approach to the activities of NTOs. This is reflected in the research conducted by Millington and Cleverdon (1999). They are of the opinion that “(…) the largest (…) evolution of the activities of NTO involved the system of public and private relations. This manifested mainly in a larger (and not only financial) involvement of the private sector in the issues of the functioning of NTO” (Millington & Cleverdon, 1999, p. 3). Bhatia (2006) states that an NTO is responsible for the coordination of the different activities of all the bodies interested in tourism development.

Nonetheless, a range of functions has emerged in NTOs, such as marketing, development, planning and research, but the dominant function by far is to promote the national product to overseas markets (Murphy & Murphy, 2004). Thereby, a national tourism organisation plays a leading role in direction and promotion of tourism (Sajnani & Goswami, 2002).

**Purposes and tasks of the NTOs analyzed**
A review of the purposes and tasks of the selected national tourism organizations (see: table 1) from post-communist countries demonstrates a fundamental conformity with the assumptions that are accepted in the literature. Tourist promotion is indicated as an essential (and in many cases: the most important) element of activity. This purpose is often presented in a fairly general manner, e.g. ‘promotion of Poland as a state which is attractive to tourists’, ‘(…) to promote the Czech Republic as a tourist destination at home and abroad’, ‘(…) to promote Slovakia as an attractive tourist destination’, ‘promoting Hungary's tourist attractions and services’, ‘to promote and improve tourism in the Republic of Serbia in both the domestic and foreign tourism markets’, ‘planning and implementing the promotion of the country as a tourist destination abroad and within Slovenia’, ‘the promotion of Estonia as a tourist destination’.

The review of the basic purposes and tasks of NTOs further demonstrated that promotional activities may focus on specific undertakings, e.g. ‘publishing of promotional materials’ (the Czech Republic), ‘(…) to prepare and carry out promotional activities at home and abroad’ (Montenegro), ‘preparing and implementing yearly plans and programmes of promotional activities’ (Serbia), ‘activities in the scope of advertising and public relations’ (Latvia), ‘taking necessary measures and planning activities for the development and promotion of tourism in the less developed areas’ (Croatia).

Foreign promotional activity is usually undertaken by the foreign departments of NTOs, which is also often emphasized in relation to the basic purposes and tasks of organizations: ‘establishment of agencies abroad to promote home tourist products’ (the Czech Republic).

It is to be observed that the promotional policy of NTOs also concerns the creation of the tourist image of a specific country, e.g. ‘building of a positive image of the country in the national and foreign markets’ (the Czech Republic), ‘building an appropriate image of the country’
(Slovakia), ‘building and improving the image’ (Hungary), ‘building and development of the image of tourism’ (Croatia). In some cases, the problem is indicated of an analysis and an assessment of the usefulness and effectiveness of promotional activities implemented (Croatia).

A review of literature has demonstrated that promotion is an essential yet not the only element of the activity of NTOs. The fundamental problem of the functioning of NTOs in the countries under examination concerns the issue of an improvement of tourist information and a creation of its system. In individual cases, this concerns the following:

- ‘ensuring of the functioning and development of the system of tourist information at home and all over the world’ (Poland),
- ‘cooperation aimed at the creation of a national tourist information system’ (the Czech Republic),
- ‘creation of a tourist information system’ (Slovakia),
- ‘providing tourist information’ (Hungary),
- ‘establishing a tourist information system, performing global and tourist information activities’ (Croatia),
- ‘creating and developing a unified tourism information system and linking it with other information systems at home and abroad, establishing and operating tourist offices abroad and information centres at home, independently or in cooperation with other organizations’ (Serbia),
- ‘establishing an integrated tourist information structure’ (Slovenia).

It is evident that the organizations analyzed strongly emphasize other spheres of the development of tourism in a given country. It has been observed in the majority of cases that this con-
cerns supporting a number of entities which deal with the creation of tourism in a country (both the public sector and the private sector) and a cooperation with these entities:

- ‘an inspiration for the creation of regional tourism organizations and local tourism organizations and also cooperation with these entities’ (Poland),
- ‘cooperation (with the tourist sector, the central government, local governments, professional organizations, financial establishments, universities, scientific institutions etc.) in the scope of the development of tourism, cooperation with regions’ (the Czech Republic),
- ‘cooperation with the tourist industry, local governments, government administration bodies and other entities which are involved in the development of tourism’ (Slovakia),
- ‘providing unbiased assistance to help tourism companies’ (Hungary),
- ‘providing and coordinating the incentives of all the tourist boards, as well as all economic and other tourism subjects which operate either directly or indirectly, in order to improve and promote tourism, cooperation with national tourist boards in foreign countries and with specialized international regional tourist organizations’ (Croatia),
- ‘coordinating the activities of local tourism organisations, businesses and other entities involved in tourism, which are directly and indirectly involved in the promotion of tourism’ (Serbia),
- ‘implementation of the principles of the public and private partnership in tourism’ (Latvia).

It is to be emphasized that the purposes and tasks mentioned above are most frequently listed by the NTOs analyzed as ones which are primary and of a priority. However, they are not considered to be the only ones. A review of the literature demonstrates that NTO activities relate to
other spheres of functioning in many cases. This concerns the following assumptions among others:

- development of the tourist infrastructure: ‘an initiation, expressing opinions and supporting of the development and modernization plans of the tourist infrastructure’ (Poland),
- tourist education: ‘preparation, organization and realization of educational activities in the scope of tourism’ (the Czech Republic),
- sustainable development of tourism: – ‘support of the development of tourist products with the principles of respecting the environment’ (the Czech Republic),
- cooperation with other entities including ‘an international cooperation in the scope of tourism, cooperation with media’ (Slovakia), ‘ensuring of cooperation with national and foreign journalists and mass-media’ (the Czech Republic), ‘cooperating with other countries’ national tourism organizations’ (Serbia),
- obtaining and use of external funds: ‘an implementation of the European Union structural funds in the tourist sector’ (Slovakia), ‘obtaining funds for the development of tourism’ (Latvia),
- development of tourist products: ‘stimulating the development of existing and new products on the national level’ (Slovenia), ‘an increase of an international competitiveness of Estonian tourist products’ (Estonia), ‘(….) to plan and create tourist products’ (Montenegro),
- market research in tourism: ‘structuring and conducting operational market research for the promotion of tourism’ (Croatia), ‘organising tourism-related market research in support of the promotion of tourism, market research in the areas of conferences, trade fairs and sporting and cultural events’ (Serbia).
Comparison with Western European NTOs

A review of the basic purposes and tasks other NTOs (mainly from those countries where these organizations have been in operation for several dozens of years) shows that they are similar to some extent to the types of the activities pursued by organizations from the post-communist countries. These are also primary activities connected with the marketing of the target country including promotion, building up of an image or building up of a brand, for example 'positioning, development and taking care of a strong brand' (Austria), 'popularization of a state as a tourist destination' (Germany), 'promotion of a state as a holiday and business tourism destination' (Great Britain), 'planning, development and execution of activities aimed at promoting Spain as a tourism destination in the international markets’ (Spain), 'promoting the various touristic aspects of each region; promoting the various touristic aspects of country as a whole’ (Italy), ‘(…) to coordinate the promotion of country as a tourist destination both at home and abroad’ (Portugal).

Nevertheless, it is to be observed that in the case of many organizations, activities connected with the functioning of NTOs are of a non-marketing nature. To a considerable extent, emphasis is placed on other issues. A particularly important issue is a widely understood cooperation with various entities which are responsible for the development of tourism, including governmental administration, regional and local authorities and also with the tourist industry and other entities. For example, this relates to the following among others:

- ‘a close cooperation with the tourist industry and other economic entities and associations’ (Germany),
• ‘offering to tourist entities and organizations services that are adapted to a given market, this being a guarantee for the support of distribution’ (Austria),

• ‘working in partnership with the tourist boards in England, Scotland, Wales and London’ (Great Britain),

• ‘support of the marketing of tourism products abroad in cooperation with the regional and local authorities and the private sector’ (Spain),

• ‘providing consultation and assistance to the Italian State, the Italian Regions and to other public organizations with regards to tourist promotion of products; organizing consultancy services, assistance and collaboration in favor of public and private bodies, therein including regional offices and agencies’ (Italy).

At present, a considerable emphasis is placed on an improvement of the qualifications of those who work in tourism industries, among others through a system of training, education etc., for example ‘to develop human resources training’ (Portugal), to provide services connected with the activities of the French government in the sector of tourism to support and develop a tourist activity on the international arena as well as in the field of trainings and education (France).

At the same time, one needs to remember that the purposes and tasks of NTOs (and thus the scope of activities) is frequently the result of the legal form of the individual organizations. For example, this may enable a supervision over tourist facilities (Spain) or a promotion of a specific region (VisitBritain is responsible for the promotion of Great Britain and e.g. VisitScotland is responsible for the promotion of Scotland) or even in the area of the gambling industry: ‘(…) to regulate and supervise gambling’ (Portugal).

Conclusions
A review of the primary objectives and tasks of selected national tourism organizations has demonstrated that they are in accordance with those that are defined in the literature. The fundamental scope of the activities of the national tourism organizations (NTOs) under examination concerns a broadly understood marketing activity, and promotion in particular (“promotion of a state as a tourist destination”, “building of the tourist image of a state”). The creation and extension of the tourist information system (Poland, the Czech Republik and Slovakia among others) is of an essential significance to these organizations. A significant emphasis was placed on the so-called supporting strategy (according to Middleton 1996). This concerns among other things cooperation with the tourism industry (the Czech Republik, Slovakia and Hungary among others). Cooperation with other entities including international institutions, government administration bodies, regional and local governments plays an important role for the activities of NTOs. An analysis of the issue that is covered in the present article has demonstrated that promotion constitutes one of more important objectives of NTOs, although the scope of their activities includes a number of other guidelines that are aimed at building the country’s tourism policy. A review of the basic purposes of NTOs from West-European countries demonstrates certain similarities as compared with post-communist countries, although in the case of the former, the issue of cooperation with external entities is more frequently emphasized. Therefore, an increased significance of non-marketing activities was observed in the case of the Western European NTOs.

References


