

Improvement of the Methodical Approaches to Evaluation of the Tourism Advertising Campaign Effectiveness

Mejora de los Enfoques Metodológicos para la Evaluación de la Eficacia de la Campaña de Publicidad Turística

Alexey Igorevich ROMANENKOV [1](#); Ilya Viktorovich KUTIN [2](#); Kostyantyn Anatol'evich LEBEDEV [3](#); Liudmila Mihaylovna GRZHEBINA [4](#); Oskar Viktorovich SHIMANSKIY [5](#)

Recibido: 07/02/2017 • Aprobado: 12/03/2017

Content

- [1. Introduction](#)
- [2. Methods](#)
- [3. Results](#)
- [4. Discussion](#)
- [5. Conclusions](#)
- [References](#)

ABSTRACT:

It is established that methodical approach to full assessment of efficiency of advertising campaign can have three stages. The first stage includes assessment of advertising campaign efficiency through the analysis of advertising activity with account of additional factors. The second stage includes assessment of advertising campaign efficiency on the basis of particular, generalising and complex efficiency factors. The third stage implies full assessment of the process of advertising campaign efficiency management through the assessment of the company's advertising position. A research has shown that general criterion of advertising campaign efficiency should be supplemented with a system of organizational and economic factors. Reliability of the presented methodical approaches to assessment of advertising campaign efficiency in tourism is confirmed by the introduction of the stage of nominal definition of advertising budget, in other words definition of usage directions of advertising efforts on the basis of singling out and justifying the necessity of certain types of advertising for a tourism company in a particular advertising cycle and creation of reserve fund for advertising campaigns.

Key words: advertising campaign, tourism, efficiency, budget, market, expenses, activity.

RESUMEN:

Se establece que el enfoque metódico para la evaluación completa de la eficiencia de la campaña publicitaria puede tener tres etapas. La primera etapa incluye la evaluación de la eficiencia de la campaña publicitaria a través del análisis de la actividad publicitaria, teniendo en cuenta factores adicionales. La segunda etapa incluye la evaluación de la eficiencia de la campaña publicitaria sobre la base de factores de eficiencia específicos, generalizadores y complejos. La tercera etapa implica una evaluación completa del proceso de gestión de la eficiencia de la campaña publicitaria a través de la evaluación de la posición publicitaria de la empresa. Una investigación ha demostrado que el criterio general de eficiencia de la campaña publicitaria debe ser complementado con un sistema de factores organizacionales y económicos. La fiabilidad de los enfoques metodológicos presentados a la evaluación de la eficacia de la campaña publicitaria en el turismo se confirma con la introducción de la etapa de definición nominal del presupuesto publicitario, es decir la definición de las direcciones de uso de los esfuerzos publicitarios sobre la base de la singularización y justificando la necesidad de ciertos tipos de publicidad para una empresa de turismo en un determinado ciclo publicitario y la creación de fondos de reserva para campañas publicitarias.

Palabras clave: campaña publicitaria, turismo, eficiencia, presupuesto, mercado, gastos, actividad.

1. Introduction

Advertising activity is connected with certain expenses of the advertiser, therefore the problem of assessment of advertising campaign efficiency is topical for many tourism companies which use advertising in their activities on a wide scale. First of all, the reason for that is rather high expenses for advertising under conditions of competition. As a result, managers want to know whether the expenses for an advertising campaign are justified.

Issues of assessment of advertising campaign efficiency in tourism have been studied by A.B. Krutik (2014), N.N. Kurnaya (2016), O.N. Momotova, (2013), P.V. Pavlovich (2012), A.I. Churkina (2013), R.I. Shu (2013), etc. However, no attention has still been paid to the development of complex approach to assessment of advertising campaign efficiency in tourism. The following issues have to be studied more closely: definition of criteria, principles, methods and assessment factors of advertising campaign efficiency in tourism, assessment of advertising efficiency influence on the results of tourism company activity.

2. Methods

Full assessment of advertising campaign efficiency which should be conducted in three steps is a component of tourism management subsystem. The first step includes definition of advertising activity of a tourism company with the account of additional grouping factors; the second step takes into account assessment of advertising campaign efficiency on the basis of particular, generalising and complex efficiency factors; the final step is the development of advertising campaign effectiveness matrix together with the definition of the tourism company's advertising position.

We offer a system of indicators for assessment of advertising campaign efficiency, which is a simple and effective management tool for advertising campaigns in tourism. In particular, generalising and complex indicators can be calculated by formulae 1-3:

$$EAR_{CEadv}^{Sv} = \frac{\Delta Sv}{CEadv * (1+r)^n}, \quad (1)$$

where EAR_{CEadv}^{Sv} is advertising return (efficiency of stimulating of sales volume increase of advertised products);

CE_{adv} – current expenses per advertisement, thousand rub.;

ΔSv – sales volume increase as a result of conducted advertising campaign, thousand rub.;

$(1+r)^n$ – value growth ratio;

r – average monthly bank deposit rate;

n – number of months by the time the campaign has an effect.

$$EAC_{CEadv}^I = \frac{\Delta I}{CEadv * (1+r)^n}, \quad (2)$$

where EAC_{CEadv}^I is cost effectiveness of advertising campaign;

ΔI – sales volume increase as a result of conducted advertising campaign, thousand rub.

$$EAC_{CEadv}^{SvI} = \sqrt{EAR_{CEadv}^{Sv} * EAC_{CEadv}^I}, \quad (3)$$

where EAC_{CEadv}^{SvI} is a complex indicator of the efficiency of advertising campaign in tourism.

To assess the efficiency of advertising campaign, we also offer a generalizing indicator of advertising campaign efficiency which tends to maximum, in other words maximum indicator value is the product of maximum quality of independent factors and degree of their significance:

$$C_{eff}^t = \sum_{i=1}^n k_i^t * v_i / \sum_{i=1}^n k_i^t \max * v_i, \quad (4)$$

where C_{eff}^t is advertising campaign effectiveness coefficient;

v_i – indicator significance degree;

k_i^t – indicator quality level.

3. Results

Taking into account the limitedness of information field on the issues of advertising campaign management (limitations conditioned by trade secret), there are 15 companies in total to be studied, all of them are tourist market entities and conduct advertising campaigns.

On the basis of system approach to efficiency management and the suggested method of advertising campaign efficiency assessment we have grouped tourism companies by different factors. The first and main factor is a certain level of advertising activity. For in-depth analysis of advertising campaign efficiency management additional factors were used: economic and law form of capital management of tourism company; frequency of consumer products; level of consumer perception of tourist services.

The research has shown that total general criterion of advertising campaign efficiency should be supplemented with a system of organizational and economic factors. Advertising campaign efficiency cannot be defined by one factor, a system of factors is required for that, both generalising, which characterise general results of advertising campaign, and particular, which show efficiency of the use of advertising resources (Kim, Hwang and Fesenmaier, 2014; Fedulin, Sakharchuk and Lebedeva 2015).

Through the grouping method the studied tourism companies were united into three groups by the level of advertising activity. The first group includes companies with the level of expenses for advertising campaign of no more than 0,6% of the total revenue – this is low advertising activity. The second group combines tourism companies with the level of expenses for advertising campaign from 0,6% to 1,5% - this is medium advertising activity. The third group covers tourism companies with the level of expenses for advertising campaign of more than 1,5% of total revenue – this is high advertising activity. The goal of the research is to analyse the practicability and efficiency of the use of resources of the studied tourism companies per advertising campaign (table 1).

The results of table 1 have shown that complex indicator of advertising campaign efficiency can be calculated only for seven tourism companies, as it does not work if there is at least one negative value among the calculated generalising efficiency indicators.

This system will allow defining weak points in advertising campaign efficiency management, identifying interconnection between the indicators: floating assets circulation coefficient, current advertising expenses, commercial profitability, advertisement return, financial efficiency of advertising campaign and net income of tourism companies.

Companies with relatively similar economic turnover volumes, advertising activity levels and indicators of advertising campaign efficiency assessment were chosen for rating score, namely: OOO "Konversia-5", OOO "Maria", RUP (Republican unitary enterprise) "Centrurort".

Results of the rating show that OOO "Konversia-5" has the most efficient advertising campaign among all the objects under consideration, meaning that this tourism company has the best advertising position among the competitors, which confirms the necessity to keep the achieved level of advertising campaign efficiency and the market share as compared to most probable competitors.

Analysis of advertising campaign efficiency has been conducted through the example of a last minute travel offer "New Year is coming soon" (OOO "Parus-Travel"). It was planned that recommended efficiency coefficient for this campaign would be 58%, but as a result the actual efficiency level accounted for 73%. This shows that the conducted campaign had efficiency reserves of about 15%. Therefore, to predict new advertising campaigns, tourism company has to set higher quality characteristics of advertising campaign efficiency.

Table 1. Calculation of advertising campaign efficiency indicators of tourism companies

| | OOO "Konversia-5" | OOO "Maria" | OOO "Nash Tur" | OOO "Classic Travel Centre" | RUP "Centrurort" | OOO "Special Travel Club" | OOO "Mir v puteshestvii" | OOO "Parus-Travel" | OOO "New Way Voyage" | OOO "PlatiLeti" | OOO "Enibi Travel" | OOO "Safari" | OOO "Centr Online Bronirovania" | OOO "Agentstvo TurCentr" | OOO "Parusa" |
|---|-------------------|-------------|----------------|-----------------------------|------------------|---------------------------|--------------------------|--------------------|----------------------|-----------------|--------------------|--------------|---------------------------------|--------------------------|--------------|
| Advertising return (efficiency of stimulating of sales volume increase of advertised tourism products), coefficient | | | | | | | | | | | | | | | |
| 2013 | 61,2 | -22,5 | 121,6 | 29,2 | -90,5 | -3,7 | 171,1 | 124,9 | 34,8 | 41,2 | 89,3 | 18,2 | 7,8 | 47,6 | -16,4 |

| | | | | | | | | | | | | | | | |
|---|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| 2014 | 60,8 | 2,5 | 66,6 | 43,6 | 100,5 | 30,7 | 59,5 | 114,7 | 24,1 | 67,5 | -1,52 | 50,2 | 3,9 | -8,4 | 9,5 |
| 2015 | 42,6 | 7,8 | 52,5 | 34,9 | 38,8 | 52,4 | 291,8 | 280,6 | 19,7 | 25,3 | -12,9 | 54,6 | 5,3 | 26,6 | 1,2 |
| Δ (2014/ /2013), % | -0,7 | - | -45,2 | 49,3 | - | - | -65,2 | -8,2 | -30,7 | 63,8 | - | 175,8 | -50,0 | - | - |
| Δ (2015/ /2014),% | -29,9 | 212,0 | -21,2 | -20,0 | -61,4 | 70,7 | 390,4 | 144,6 | -18,3 | -62,5 | - | 8,8 | 35,9 | - | -87,4 |
| Financial efficiency of advertising campaign, coefficient | | | | | | | | | | | | | | | |
| 2013 | 0,7 | -8,2 | 0,8 | 2,2 | 1,8 | -2,2 | 0,6 | 3,4 | -0,3 | 0,3 | 1,2 | -3,2 | 0,3 | -3,8 | 0,9 |
| 2014 | 0,4 | -3,6 | 0,3 | 4,2 | 3,8 | 1,5 | 1,9 | 2,7 | 3,4 | 0,4 | 0,8 | 3,4 | 1,6 | 2,1 | 0,7 |
| 2015 | 0,5 | 20,5 | -1,2 | -4,8 | 0,4 | 1,6 | 0,2 | 1,7 | 0,7 | 0,5 | 1,3 | 2,3 | 0,4 | 0,8 | 0,6 |
| Δ (2014/ /2013), % | -42,0 | - | -62,5 | 90,9 | 111,1 | - | 216,7 | -20,6 | - | 33,3 | -33,3 | - | 433,3 | - | -22,2 |
| Δ (2015/ /2014),% | 25,0 | - | - | - | -89,5 | 6,7 | -89,5 | -37,0 | -79,4 | 25,0 | 62,5 | -32,4 | -75,0 | -61,9 | -14,3 |
| Complex indicator of advertising campaign efficiency, coefficient | | | | | | | | | | | | | | | |
| 2013 | 5,8 | - | - | - | - | 2,8 | 9,3 | 20,4 | 2,8 | - | - | 1,5 | - | - | 2,8 |
| 2014 | 4,7 | - | - | - | - | 6,6 | 10,3 | 17,3 | 4,3 | - | - | 2,5 | - | - | 4,3 |
| 2015 | 4,4 | - | - | - | - | 8,8 | 3,6 | 20,8 | 3,2 | - | - | 1,4 | - | - | 3,2 |
| Δ (2014/ /2013), % | -19,0 | - | - | - | - | 135,7 | 10,8 | -15,2 | 53,6 | - | - | 66,7 | - | - | 53,6 |
| Δ (2015/ /2014),% | -6,4 | - | - | - | - | 33,3 | -65,0 | 20,2 | -25,6 | - | - | -44,0 | - | - | -25,6 |

Source: Δ – indicator growth rate, %

4. Discussion

Reliability of the presented methodical approaches to assessment of advertising campaign efficiency in tourism is confirmed by the introduction of the stage of nominal definition of advertising budget, in other words definition of usage directions of advertising efforts on the basis of singling out and justifying the necessity of certain types of advertising for a tourism company in a particular advertising cycle and creation of reserve fund for advertising campaigns.

Use of this fund will allow tourism companies to increase the efficiency of advertising budget use, since the definition of advertising campaign efficiency is negatively influenced by reduction of advertising budget in the form of unused possibilities of advertising activity efficiency increase and by the increase of advertising budget in the form of financial resources overexpenditure and their withdrawal from other sources, which lowers the overall efficiency of tourism company activity.

The suggested scientific and methodical approaches to the assessment of efficiency of advertising campaign in tourism allow using advertising means more sparingly, since actual division of by advertisement articles is made by planned types of advertising, while the presence of reserve fund insures from risky situation.

Regular monitoring by the results of advertising campaign efficiency management in tourism can be conducted in several steps: organisation of advertising events; full assessment of advertising campaign efficiency; control of the results of advertising campaign efficiency management (Karaulova and Gavrilov 2015; Lebedev 2014).

5. Conclusions

It is established that methodical approach to full assessment of efficiency of advertising campaign can have three stages. The first stage includes assessment of advertising campaign efficiency through the analysis of advertising activity with account of additional factors. The second stage includes assessment of advertising campaign efficiency on the basis of particular, generalising and complex efficiency factors. The third stage implies full assessment of the process of advertising campaign efficiency management through the assessment of the company's advertising position.

During the research rating assessment of efficiency of advertising campaign of tourism companies was conducted on the basis of the developed system of efficiency indicator interconnection. This system allowed defining weak points in advertising campaign efficiency management, identifying interconnection between the indicators: floating assets circulation coefficient, sales volume, current advertising expenses, commercial profitability.

References

- Churkina, A.I. 2013. Rol reklamy v industrii turizma [Role of advertising in tourism industry]. *Master's Herald*, 6 (21), 45-47.
- Fedulin, A.A., Sakharchuk, E.S. and Lebedeva, O.Y. 2015. Organization aspects of professional skills improvement in tourism. *Actual Problems of Economics* 166(4), 327-330.
- Karaulova, N.M. and Gavrilov, A.J. 2015. The idea and essence of electronic tourism. *Mediterranean Journal of Social Sciences* 6(5), 211-217.
- Kim, D.Y., Hwang, Y.H. and Fesenmaier, D.R. 2014. Modeling tourism advertising effectiveness. *Journal of Travel Research* 44(1), 42-49.
- Krutik, A.B. 2014. Marketing, reklama i sbytovaja dejatel'nost' v turizme: nauchno-prakticheskij aspekt [Marketing, advertising and sales activities in tourism: scientific practical aspect]. *Modern aspects of economics* 1 (197), 31-43.
- Kurnaja, N.N. 2016. Osobennosti reklamy v sobytijnom turizme [Specifics of advertising in event tourism]. *Bulleting of Khabarovsk State University of Economics and Law* 3, 31-36.
- Lebedev, K.A. 2014. Marketing technologies in stimulation of recreation and tourism potential of regions. *Actual Problems of Economics* 161(11), 186-190.
- Momotova, O.N. and Dolzhenko, I.V. 2013. Osobennosti reklamy v turizme [Specific features of advertising in tourism]. *Kant2* (8), 23-25.
- Pavlovich, P.V. 2012. Znachenie i osobennosti reklamy na predpriyatijah industrii gostepriimstva i turizma [Significance and specifics of advertising in tourism and hospitality industry]. *Bulletin of Plekhanov Russian University of Economics* 4, 85-90.
- Shu, R.I. 2013. Osnovnye tendencii razvitija i pokazateli effektivnosti vidov reklamy v Krasnodarskom krae na primere industrii turizma [Main development trends and indicators of efficiency of advertisement types in Krasnodar krai through the example of the tourism industry]. *Economics and entrepreneurship* 4 (33), 502-504.

-
1. Russian State Agrarian University - Moscow Agricultural Academy named after K.A. Timiryazev (MTAA) Russia, Moscow
 2. Institute for Tourism and Hospitality, Russia, Moscow
 3. Institute for Tourism and Hospitality, Russia, Moscow
 4. Russian State University of Physical Education, Sport, Youth and Tourism (SCOLIPE), Russia, Moscow
 5. The Russian Presidential Academy of National Economy and Public Administration (RANEPA), Russia, Moscow
-

Revista ESPACIOS. ISSN 0798 1015
Vol. 38 (Nº 32) Año 2017

[Índice]

[En caso de encontrar algún error en este website favor enviar email a [webmaster](#)]

©2017. revistaESPACIOS.com • Derechos Reservados