INFLUENCES OF GLOBALIZATION TRENDS AND SOCIAL CHANGES ON THE STRUCTURE OF TOURIST DEMAND AND SUPPLY

Vesna Babić-Hodović

School of Economics and Business, University of Sarajevo Trg Oslobođenja Alije Izetbegovića 1, Sarajevo vesna.babic-hodovic@efsa.unsa.ba

Tourism development is under the strong influence of economic and social development on international, regional and national level. Globalization influences and development off informatics technology have been caused the wave of accelerating changes in tourism demand and supply.

Socio-demographic, economic, cultural and political factors changed the profile of modern tourists, their requests and preferences regarding tourist services. On the other side, market fragmentation and request for individualized tourism services impact the tourist supply polarization. While global tourist market still are dominated by unions and groups in the area of tourism intermediation, hotel businesses and airline services, on the other side range of small and medium companies (SMEs) are emerging on the tourist market. SMEs are focused on market niches where specific demand for different kinds of tourist demand appears.

Tourist suppliers are forced to react on those changes and to improve their offer as the answer to previously mentioned changes. Competition of emerging destinations initiated by development of new kinds of tourism as well as political and geopolitical changes increases the pressure and challenges for mature tourist destinations; as the consequence problems of differentiation from other destinations are complicating further.

Besides development of new types of tourism, suppliers of tourism services transformed traditional marketing concept which was built on elements of marketing mix (product, price, place and promotion), and extended service marketing mix (that includes additional elements – people, processes and physical evidence) into the model which is based on elements derived from the specific nature of tourist services and tourist experiences which are results of direct contacts among tourist customers and tourist suppliers. New paradigm of marketing is based on the 4E/7E concept and includes emotions, exclusivity, engagement and experience in the case of 4E, but also empathy, expertise and environment in the case of 7E model. Tourist firms are deciding about these changes expecting the market position sustaining and relationship with customers developing as the result of them.

Key words: globalization, tourists' characteristics, changes of tourist demand, polarization of tourist supply, marketing paradigm