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"A study of maritime tourism and its significance for the improvement of competitiveness in the South Baltic Region. Diagnosing and analysing the future labour demand"

Part-financed by the European Union
(European Regional Development Fund)

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Introduction

In the last two decades, maritime tourism has become one of the fastest-growing sectors. The factors determining the advancement of tourist traffic include[1]:

- economic considerations – connected mainly with income levels, since tourist demand is generated along with relatively high earnings; moreover, this factor is the outcome of overall economic performance; in general, it can be seen that during slowdown periods the demand for tourist services declines, and in a favourable economic climate and growing income levels, the effective demand tends to rise
- socio-psychological factors – associated with reasons for marine travelling, exhibited in the increased mobility of European, American, Canadian, and Asian societies, an increase in the amount of free time, fatigue connected with big-city life and professional work, and longer life expectancy; sea voyages are perceived as a remedy allowing the achieving of a state of relaxation and to recharging mental batteries
- political factors - connected with security and the stabilisation of the political situation in regions facilitating maritime tourism; these factors stem from progressive integration. visible e.g. in tourist-traffic convenience related to travelling accessibility, such as open internal borders within the EU, waived visa requirements, and easier cross-border traffic
- factors behind the supply of maritime-tourism services – stem from the operation of carriers and tour-operators who create demand for maritime tourism through their diverse packages, the utilisation of suitable vessels, and the organisation of tours; in addition, this is facilitated by the development of hospitality infrastructure, including e.g., hotels, land-transport infrastructure (access roads to port terminals and air terminals in the case of fly-cruises)

Maritime tourism involves sea voyages by various means of transport. As a result, the following sectors can be distinguished

- open-sea cruises

[1] More on the topic in: Miotke-Dzięgiel J. Turystyka morska (Maritime Tourism), WUG, Gdańsk 2002, pp. 81-93

- ferry services
- yachting
- passenger cabotage

Each of these sectors has its own distinctive characteristics, travelling mode, and demand for transport-related services. In consideration of the above, the impact of maritime tourism on industries servicing and cooperating with this sector varies.

This study is to analyse and evaluate the status of maritime tourism in the South Baltic Region, and industries directly and indirectly cooperating with the sector, and also to identify the labour demand in passenger and tourist services. The analysis inspects the individual sectors of maritime tourism. The hospitality market, or industries providing services for passenger-tourists, such as tour-operators, hotels, and catering services, are identified, and key areas connected with and impacting on economic growth, labour-market development, and the mobility and freedom of labour movement are established. Furthermore, the validity of and potential benefits from the development of local, regional, and borderland programmes for the promotion and network cooperation are assessed.

Finally, the study surveys the issues of economic growth via the development of maritime tourism, the importance of marketing and cooperation at regional and local levels, and vertical and horizontal collaboration. Economic growth should be considered as equal to the creation of new workplaces, as new jobs are the driving force behind economic advancement. The tourist industry, and especially the maritime-tourism sector, engages a number of players - local authorities, businesses, organisations, and individuals directly or indirectly committed to the development of the tourist package. Tourism is therefore a multifaceted phenomenon which combines social and purely economic aspects of a given location's development.

Particular attention is given to businesses handling maritime tourists in the Tricity region, due to the fact that it is specifically in Gdynia and Gdańsk that all maritime tourism sectors concentrate and are experiencing dynamic growth. The study is not to serve as a monograph, although it shows developmental trends on the maritime-tourism services market, the problems it faces, and possible solutions to be applied through cross-border cooperation, hence its theoretical character from time to time, supplemented with the most relevant

examples from the project-partner regions. The study also serves as a foundation for the establishment of programmes for labour support and mobility on markets within the South Baltic Region.

1. Methodology

The study examines the individual maritime-tourism sectors on the basis of the available statistics. Data on ferry tourism and cruising are supplied by annual reports published by Shippax Information, a Swedish publishing house, which specialises in analysing maritime passenger transport, and reports from the Cruise Baltic organisation. Some statistics were obtained directly from ferry operators and the Gdynia Port Management. The study employs the in-depth interview method.

The study surveys and analyses key documents, directly or indirectly related to maritime tourism. These cover both EU and national documentation, including on the Pomeranian Voivodeship. Special attention was given to records dealing with the city of Gdynia, since it is the focal point of all maritime-tourism sectors. The analysis also builds on reports generated by other projects under the *South Baltic Programme* and official reports from tourist-industry and labour-market institutions.

Computer Assisted Web Interviews (CAWI) were used with a view to assessing the demand for qualified labour in the tourist-service sectors. The survey was designed to identify the current and future labour demand. Additionally, the Computer Assisted Telephone Interviews (CATI) method was adopted to allow the identification of strengths and weaknesses in the performance of businesses delivering services for the maritime tourism sector, in respect of the labour market.

Also, with a view to assessing the situation in the industry, the study employs the PEST framework, which investigates Political, Economic, Social and Technological factors.

Maritime tourism is not recognised in statistics and studies as a separate tourist sector or service domain. Therefore, it is not possible to distinguish from the operator activity a sector dedicated solely to maritime tourism. Nevertheless, economic laws which lay down principles for the operation of different markets, including the labour market, are shared by

the whole tourist industry, hence the study makes some generalisations in cases where the available data and information does not allow direct reference to the maritime-tourism sector.

2. Maritime tourism in strategic policies and in community-development strategy

The South Baltic Region shares the history of harmonious growth between many cultures. It was closely connected with the Hanseatic League. However, wars and shifts in the geo-political balance led to its disintegration and limited cross-border interaction. Only after 1989 have new conditions emerged to allow the re-establishment of cooperation, which is the crucial plank of the region's development policy, while also ensuring the exchange of experiences between the sub-regions, facilitating actions towards the advancement of tourism, and also triggering the region's economic, cultural and educational growth and acting as an essential marketing device.

The South Baltic Region is characterised by great diversity and a wealth of various water bodies and courses. Water tourism not only represents an opportunity to become the birthplace of a whole range of new branded products, but also to emerge as the flagship of the region.

One of the first steps towards establishing regional cooperation in the South Baltic area was the initiative launched by the Local-Government bodies in the Westpomeranian and Pomeranian voivodeships and the Mecklenburg-Vorpommern and Schleswig-Holstein regions, which gave rise to the Southern Baltic Sea Parliamentary Forum. Its first meeting was held on 25-27 April 2004 in Gdańsk.

The fundamental objective of the Forum is to explore common interests and identify priorities for the development of the Southern Baltic Sea, with tourism being one of its areas of interest. Moreover, emphasis is put on an integrated maritime policy within the EU, joint work on drawing up and updating the European Union Strategy for the Baltic Sea Region, and preserving its cultural heritage and diversity.

In 2012, in Kiel, the Southern Baltic Sea Parliamentary Forum adopted "Southern Baltic Sea 2020", a resolution on the Region's Development Strategy, stating that

1. The Southern Baltic Sea Parliamentary Forum advocates sustainable tourism,

2. The number one challenge for tourism in the Southern Baltic Sea region is mobility,
3. Artisan fishing requires support in terms of maximising investment opportunities in sustainable forms of maritime tourism,
4. Business activity in the sphere of tourism, carried out on naturally valuable areas, requires regulation by way of identifying the capacity of those areas in urban terms, and arriving at a common policy for the development of spatial order.[2]

Moreover, the 10th Forum reached the following conclusions in respect of education and employment

1. The best way to increase mobility and improve the integration of the scientific and professional domains is through partnership and student-exchange programmes established in cooperation with the Baltic Sea Labour Forum.
2. Representative Regions of the Southern Baltic Sea Parliamentary Forum will undertake to devise common project frameworks to facilitate access to the labour market by individuals. Procedures involving the mutual recognition of diplomas and scientific/professional qualifications, and also social-benefit entitlements, call for greater simplification.

The Forum's activities are in line with the European Strategy for the Development of the Baltic Sea Region. October 2009 saw the development of an Action Plan for the implementation of the Strategy. The Plan appoints the German region of Macklenburg-Vorpommern as the Coordinator for tourism - Priority Area 12 - to maintain and reinforce the attractiveness of the Baltic Sea Region, in particular through education, tourism and health. Consequently, a Task Force for Tourism was established. In cooperation with partners, or Flagship-Project Leaders, including regions such as the south-west of Finland, and Polish Pomerania, supported by Greifswald University, a Joint Committee was formed to streamline cooperation in tourism and develop relevant growth strategies for the Baltic Sea Region. Such a strategy, besides its umbrella function for tourism-related services, will constitute the foundation for the development of shared Baltic tourist products and their marketing outside

[2] The Southern Baltic Sea Parliamentary Forum, the Regional Parliament of the Westpomeranian Region, Kiel, 11-13 March 2012

the Region. It will also encourage networking. Germany, as Coordinator, is responsible for taking Russian operators into consideration in all joint plans and undertakings.

Priority Area 12 considers the following actions as essential

1. Cooperative Action 1 - Highlight and optimize the sustainable tourism potential
2. Cooperative Action 2 - Network and Cluster stakeholders of the tourism industry and tourism education bodies

Sample Flagship Projects:

1. Flagship 12.7 - Attract tourists to rural areas especially to the coastal ones
2. Flagship 12.8 - Facilitate environmentally sustainable ferries and cruise vessels in the Baltic Sea
3. Flagship 12.9 - Promote the cultural heritage and the unique landscapes
4. Flagship 12.10 - Develop strategies for a sustainable tourism

The importance of tourism has also been recognised by the Council of the Baltic Sea States. The Baltic 21 Expert Group, operating under its framework, has recognised the Action Towards a Cooperative Approach of the Council of the Baltic Sea States and the EU Strategy for the Baltic Sea Region (Conference, Rostock – Warnemünde, 3 May 2012), through the development of tourism in seaside areas, promotion of culture and nature tourism, and cruise-ship tourism, as one of the milestones. It was considered paramount to take steps at the supra-regional level, especially in relation to the joint marketing of the Region and cruise-ship tourism promotion.

The growing market competition between the cities and the increasing role of urban centres as the hot spots of tourist-service development, have made tourism recognised in local- and regional-development strategies. Take, for instance, provisions regarding tourism (including maritime tourism), which made their way into strategic development policies for Gdynia, and particularly into the City of Gdynia Tourism Development Strategy.

The City of Gdynia Tourism Development Strategy is a policy devised by the city's Local Government under the framework of Gdynia Growth Vision and declarations of the Gdynia

Local Government Mission. Tourism projects constitute instruments to achieve sustainable, socially-accepted and eco-friendly development of Gdynia, aligned with European standards by way of the optimisation of natural, human and economic resources, and skilful exploration of the city's attractive location.[3]

The City of Gdynia Tourism Development Strategy is compatible with and serves the achievement of strategic objectives defined in the following documents

1. The Pomeranian Voivodeship Development Strategy, Resolution No. 587/XXXV/05 of the Pomeranian Voivodeship Regional Parliament of 18 July 2005 on the adoption of the Pomeranian Voivodeship Development Strategy, Priority I - Competitiveness, Strategic Objective 3 - The Development of economy using specific regional resources, Section 12. - The construction and modernisation of tourist and spa infrastructure, improvement in tourist service quality, expanding partnerships and cooperation in tourism, and the development of an integrated tourist promotion and information system.
2. The Pomeranian Voivodeship Development Strategy, Appendix to Resolution No. 458/XXII/12 of the Pomeranian Voivodeship Regional Parliament of 24 September 2012 on the adoption of the 2020 Pomeranian Voivodeship Development Strategy; Strategic objectives - unique tourist and cultural package; Operating objective 1.3.1 - The development of networking and comprehensive tourist products; Supra-regional cooperation domains - The Baltic Sea Region tourist profile and brand.
3. Gdynia Development Strategy, Resolution No. IX/182/03 of Gdynia City Council of 25 June 2003 on adopting the revised version. Appended to Resolution No. XLI/744/98 of Gdynia City Council of 28 January 1998. Priority III - The Economy, Strategic objective 4 - Establishing necessary infrastructure and products for the development of tourism, 4.1. Supporting actions towards the increased number of ferry connections, number of visitor passenger vessels and links across coast-, air- and land-based communications.
4. EU Baltic Sea Strategy adopted in the Council Conclusions of 29/3 October 2009, Priority 12, Flagship Project 12.6 Tourism - Facilitate sustainable ferries and cruise vessels in the Baltic Sea.

[3] City of Gdynia Tourism Development Strategy and its product building programme, p. 8

5. Gdynia conditions and zoning orientation, Resolution No. XVII/400/08 of 27 February 2008; Opportunities - Growing attractiveness of the Baltic Sea Region, chiefly in respect of maritime (including sailing) and business tourism
6. 2015 Gdynia Port Development Strategy, as adopted by the General Meeting of Shareholders of 28 August 2003. The document sets out the company's policy, mission and objectives to be achieved by 2015. The policy is to maintain the port's solid and impregnable position in the Baltic Sea Region as a leader in break bulk cargo, primarily less than container load (LCL) goods, shipped in containers or ro-ro vessels, based on a well-developed network of multi-modal connections and numerous regular short-distance shipping, ferry links and cruises.
7. 2007 City of Gdynia Tourism Development Strategy.
8. Gdynia and Karlskrona Partner Cities Agreement, as concluded on 9 November 1990, including i.a. the implementation of the Baltic Bridge project – an undertaking to advance passenger and cargo shipping between Gdynia, Poland and Karslkrona, Sweden, by furthering the establishment twin ferry terminals in both cities.
9. 2015 Westpomeranian Region Tourism Development Strategy, Westpomeranian Regional Tourism Organisation, Warsaw-Szczecin-Koszalin, 2010.
10. Regional Action Plan for Employment, Voivodeship Employment Office, Szczecin 2011.
11. Klaipeda City Development Strategy 2007-1013, Priority 3, "The development of maritime city."

3. The role of communes in the development of maritime tourism

The development of tourism weighs heavily on the operation of municipalities. It is the by-product of transformations taking place in the European and global economic outlooks, thus increasingly determining functional and spatial development of cities. Instruments wielded by local authorities, which considerably impact on the economic growth, include spatial policy and marketing, and also cooperation at the local and regional levels, collaboration with businesses and institutions, and the formation of cluster structures. Such measures are necessary for the successful implementation of new initiatives, which generate economic growth, produce new workplaces and integrate job markets.

Marine ports and cities greatly contribute to the intensification of tourist traffic. They are the target locations of cruise ships, including the world's largest liners, and destinations of passengers travelling by ro-pax ferries. Border areas between the port and the city are crucial in terms of their development and often regarded as trouble spots. Such attractive locations, often recovered to serve outside the port capacity, are characterised by favourable conditions for tourism due to the changes in economic conditions.

Tourist appeal of a city is also determined by its natural assets and multi-cultural heritage. All this translates into the dynamic growth of tourism infrastructure, available also to the locals.

The transformation of port cities into advanced business centres results in changes to their functional and spatial configuration and local authorities are responsible for careful management over the arrangement of this valuable space.

Spatial policy

Functional and spatial development of a port is conditional upon current economic conditions and its location in relation to urban areas. The city and port of Gdynia, which is a municipal port in physical terms, can serve as an example. The decision on the establishment of a port in a modest fishing village gave rise to a booming city, which needed only over a dozen years or so to gather over 130 thousand residents. Immediately before the outbreak of WWII, Gdynia was also the largest and the most advanced Baltic port. In relation to the inter-war period, the post-war reality had the city give priority to industrial functions over its previous commercial occupation. In 1965 Gdynia housed an impressive, state-of-the-art ship-production facility. A huge base for long-distance and oceanic fishing was also established at the time. Unable to fit within the former fishing port, it occupied the area in the very heart of the city. Recently, as a result of changing circumstances, this space has undergone functional transformations towards greater emphasis on its tourist, representative and municipal functions.

The location of Gdynia port, in the direct vicinity of the city centre and surrounded by satellite urban quarters, has its advantages and disadvantages. The former include the

possibility of functional and structural interaction between the city and the port. Gdynia is a rare example worldwide of a city with its centre directly neighbouring the sea. A desirable direction of the spatial-development policy for Gdynia port is, therefore, to regulate and transform the meeting areas between the port and the city proper by saturating them with new functions to integrate both these organisms.

Destination marketing

Cities have always been used as assets in location-promotion policies. Popular culture is full of location-based correspondencies such as Greek mythology, Chinese silk, or Russian roulette. What is different nowadays is that previously the competition factor was out of the equation.

It was not until some time ago, that a city's tourist appeal was seen as conditional upon its tourist assets and development. Latest research, however, proves that it is more and more difficult to assess a location against such criteria as infrastructure, economic advancement, or accessibility. The so-called "soft" determinants are now gaining in importance. These include the environment, entertainment, rest and relaxation services, tradition in art and culture, tourist-traffic organisation, and, even more importantly, tourist promotion and service. There is also a gradual shift taking place from the renowned "3S" paradigm towards "3E" (entertainment, excitement, education).[4]

Cities are competing for tourists, residents and businesses (investors). In order to draw their attention to a given location, its resources, community, and workplaces, the so-called location reputation, or its brand, comes in handy. The importance of branding has long been recognised, both by end-customers (loyalty) and producers (aware of the fact that the given location's brand is associated with their services). Location's brand encourages economic growth, it can change the perception of a given destination, it ensures a coherent representation system for the city, and it reinforces local and even regional awareness and the location's standing against its competitors. In short, it boosts attractiveness. A solid brand is of crucial importance, regardless of the city's size.

[4] Kowalczyk A., Nowe formy turystyki miejskiej (New forms of urban tourism), Prace i Studia Geograficzne (Geographical dissertations and studies), Book 35, Warsaw 2005, p.155

The location's image is double-faceted – functional (architecture, infrastructure, public domain, climate for the development of entrepreneurship, tourist services and education) and emotional (atmosphere and character).

To achieve a competitive edge, cities and regions work on the location's image and reputation on the basis of the available facts. A development strategy needs to be devised and creatively put into effect. Simon Anholt, an internationally respected branding expert, wrote *"Unless you've lived in a particular city or have a good reason to know a lot about it, chances are that you think about it in terms of a handful of qualities or attributes, a promise, some kind of story."* This simple brand narrative can have a major impact on your decisions.

The strategy needs to address the question of what story to tell to improve your image and exposure, and how to tell the story through actions and communication. Before getting down to building the destination's image, it is necessary to understand the location and answer the following questions:

1. What purposes does the location serve?
2. Who is the target audience?
3. Where does it excel?
4. What are its ambitions?
5. Who are its competitors?
6. What are its strengths?

Advantages from adopting such an approach are the following:

1. Improved external reputation
2. Improved external exposure
3. Improved economic competitiveness
4. Different modes of operation and communication
5. Improved allocation of funds and resources

Only until recently, cities were generally considered as centres for leisure, knowledge (especially in respect of culture and history) and religious tourism. Currently, along with the development of business travel, visits for commercial purposes, related to congresses, fairs

and exhibitions, are becoming more and more frequent. Other popular motivations for the influx of tourists are connected with entertainment, cuisine, cultural events, etc.

Creative tourist destinations are urban destinations which impact on the development and wellbeing of their resident communities. These are places worth visiting and living in. In the world where people want more than a local budget can provide, it is necessary to turn to events, popular cultural platforms, and digital platforms which deliver unique experiences, while also using the accounts of residents, tourists, investors, and students as the ambassadors of a given location. Such a holistic approach to branding integrates tourist and investment appeal, and talented human capital.

In order to analyse the demand for tourist services, it is necessary to determine the popularity of services which attract tourist traffic. These include, above all, transport, accommodation, and catering services, and also programme components (the product make-up), and supplementary services, to extend the tourist package.[5]

Networking boosts competitiveness

In the modern, globalised, world, competitiveness, whether business, municipal or regional, is one of the essentials to guarantee continued growth. Cities' and regions' competitiveness lies in their businesses, and a competitive city, region or state, in turn, provides favourable conditions for the development of businesses. Competitiveness needs to build on private and public-sector capital, and on the integration of local and external partners, focussed on the established objective.

The competitiveness of a location is at the centre of economic policies. In May 2007 Leipzig saw the adoption of the Leipzig Charter on Sustainable European Cities. The document reads as follows: "*Our cities possess unique cultural and architectural qualities, strong forces of social inclusion and exceptional possibilities for economic development. They are centres of knowledge and sources of growth and innovation. At the*

[5] ibidem pp.155-197

same time, however, they suffer from demographic problems, social inequality, and social exclusion […] We increasingly need holistic strategies and coordinated action by all persons and institutions involved in the urban-development process which reach beyond the boundaries of individual cities."[6]

Integrated urban growth policy rests on the consolidation of management structures necessary for the advancement of cities' competitiveness. It makes it easier to coordinate the development of housing policy, the economy, the infrastructure and services, while taking into account such aspects as the impact of current trends in aging and migration.

One way to achieve integrated urban growth and higher competitiveness is via networking under cluster initiatives, and clusters themselves, and across business partners operating in a given sector in a specified region, with either vertical or horizontal interaction structure. And by sector we mean all businesses and institutions which benefit from the development of a given industry. Cluster initiatives and clusters themselves should always be part of a broader strategy. In the long-term view, they ensure the economic success of the involved enterprises and cities where they are based, thus enhancing the competitiveness of the whole region. They also serve as tools to concentrate resources and funds.

On the basis of the available references and an analysis of the existing cooperation networks, it is possible to identify the primary reasons for their failure and barriers to their establishment. These include:

- the lack of vision and focus, mainly on immediate needs;
- the lack of a clearly-defined objective;
- the lack of sufficient funding;
- the neglect of brand-building;
- the lack of businesses/institutions, or so-called "drivers" or activators; and
- the lack of an independent institution to manage the network.

[6] The Leipzig Charter on Sustainable European Cities adopted at the meeting of Ministers on urban development and territorial cohesion, Leipzig, 24-25 May 2007.

The primary objectives of cooperation networks include:

- information and communication;
- marketing and PR;
- increased employment;
- training and qualifications; and
- internationalisation.

Many examples of networking can be found. In relation to maritime tourism, it is best illustrated by cooperation between ports handling huge cruise ships. The Baltic Sea Region can serve as a role model for the creation of a cluster between ports and port cities in the region to boost their attractiveness to passenger cruises. The Baltic Cruise project (in its first phase between 2004 and 2007 it was co-funded by the EU, and later only by participant states) is an example of individual interests' success for the benefit of the region. Project partners recognised the benefits offered by grouping together under a joint effort to share common marketing policy, to establish shared minimum standards for ship handling in ports, and to facilitate contacts with carriers and tour-operators, thus forming a seamless framework for the joint representation of the Baltic Sea as an attractive destination for cruise ships. Since 2004, the Baltic Sea Region has shared a delegation of ports and port cities to handle passenger cruises. Other regions followed.

In March 2012, a convention of large cruise ships in Miami introduced the Atlantic Alliance, a new partnership to promote alternative tourism destinations as an alternative to the traditional, and yet the most popular, Mediterranean region, and also to the rising star, i.e. the Baltic Sea Region. Atlantic Alliance is an association of fifteen Atlantic ports. Among many other attractions, it organises tours to Berlin, Amsterdam, Brussels, London, Paris and Madrid.

Indeed, it was also in 2012 that the cooperation of Black Sea ports was initiated. Next to ports, this new organisation brings together local and regional authorities plus private enterprises. Its primary objective is to market the Black Sea as an attractive destination for cruises. The organisation operates as Cruise Black Sea. It has manifested its presence in a joint appearance at the largest cruise convention – Seatrade Miami.

4. Marketing-communication tools

Marketing, or more precisely having a marketing strategy in place, is one of many determinants of competitiveness. A marketing strategy is a must not only at the corporate but also at the local, regional, and national levels. It is an indispensable component of a development strategy for any company, city, region, or country. Corporate strategies need to comply with the overall strategy of the location.

A marketing strategy is based on the available resources and environment. A well-designed strategy will identify the available assets and assess the strengths and weaknesses to identify any underlying potential. Then it will determine the character of competitive advantages that can build on the available resources. This serves to select an optimum strategy variant to utilise the resources at hand in relation to external conditions. Finally, it will allocate the resources.

The resource-based approach to a strategy requires:

1. the identification of the available resources and the assessment of your own strengths and weaknesses, and the potential behind them,
2. the identification of the character of competitive advantages that can build on the available assets,
3. the selection of the strategy variant that is most successful at applying the resources to the external conditions, and
4. the allocation of resources.

Marketing communication (marcom) is there to help implement the strategy. A marketing strategy is about the exchange of information between the business entity and its environment.[7] Marketing communication and strategy allow the unobscured flow of information from the enterprise, organisation, or region, to the customer, and from the customer to the service or product provider. In its standard sense, it has a wider meaning than simply promotion. To achieve success you must follow the market.

[7] Czarnecki A., Product Placement. An unconventional promotion method, PWE, Warsaw 2003, p. 17

Indeed, it can be assumed that no other area within marketing activity has undergone so profound changes in recent years as communication. This new marketing framework, known as holistic, was possible due to the digital revolution. It is a dynamic framework, based on electronic communication and interaction to establish direct contact between institutions, organisations and enterprises on the one hand, and their customers and partners on the other.[8] The holistic approach integrates all messages put across by institutions, organisations, regions or companies to their respective market environments.

The environment communication media include:

1. Traditional advertising (press, radio, TV).
2. Interactive advertising (online, email, sms, wap).
3. Outdoor advertising (billboards, mobile, posters).
4. POS advertising (gimmicks).
5. Sales promotion, also known as supplementary or personal sales, that delivers a coordinated (integrated) message to the market.
6. Personal presentations and negotiations.
7. PR: articles, press conferences, interviews, events.
8. Sponsoring.

As defined by the *American Association of Advertising Agencies*, the integrated marketing communication recognises the value of a comprehensive plan that evaluates the strategic roles of a variety of communication disciplines such as advertising, public relations, personal selling, and sales promotion, and combines them to provide clarity, consistency, and maximum communications impact."[9]

Integrated marketing communication is composed of two action groups – formal communication, or promotion, and informal communication. It is necessary to determine which messages are crucial, as there are situations in which mass advertising is of no use and the pivotal role is played by informal communication in the form of lobbying, meetings with

[8] Jain D.C., Maesincee S., Kotler P., *Marketing moves: A New Approach to Profits, Growth and Renewal*, Harvard Business School Publishing Corp. 2002
[9] Kotler P., Marketing management, Eleventh Edition, Prentice Hall, London 1999, p.13

decision makers, or individual customer service. Informal communication usually takes place among individuals during day-to-day contacts with the market and in a way is like the opposite of marketing campaign. Certain aspects of informal communication are known as WoM (Word of Mouth). The other elements include lobbying and the message conveyed by the product itself, its availability and price.

Press and TV advertising, as well as press conferences are subject to formal frames – financial, organisational or connected with time. Informal communication does not conform to such regimes.

The available communication tools should be used in line with their intended purpose, so as to exploit their full potential. Messages conveyed by means of different tools (advertising, sales promotion, events, public relations, direct marketing and on-line communications) are not identical. Each subsequent step builds on the result produced by the previous one. This requires a continuous analysis of the brand's status in relation to its current and prospective consumers, and an in-house strategy, which has to be evaluated and monitored. Only such an approach can deliver a comprehensive and well thought-out communication programme. Communication can serve one of the two purposes - it can win new consumers or partners, or keep the current ones. The separation of current and prospective customers is therefore crucial. A communications programme can employ multiple instruments, the choice and skilful application of which determine the final effect.

Integrated marketing communications can be summarised under three areas:

- Integrated marketing communications management (planning, implementing, monitoring)
- Integrated marketing communications procedures (a series of planned, coherent actions designed to successfully deliver the message and stay in touch with the target audience)
- Integrated marketing communications components (employed tools).

Marketing communication channels and media include:

- press, radio, TV, cinema, outdoor media (billboards, posters), and the Internet.

- corporate publishing, directories and catalogues.
- electronic means other than the Internet (CD/DVD), and multimedia.
- personal contacts.
- events, fairs and exhibitions.
- informal communication channels.

Marketing communication strategies must always address the industry-relevant target audience. The sector's character and distinguishing characteristics determine to choice of the instruments applied, and thus the target audience - consumers or business partners. This is clearly visible in different sectors of maritime tourism. One strategy needs to be used in relation to cruiser passengers, another for ferry travellers, and yet another for seafarers or visitors to recreation centres and spas, etc.

The characteristics that distinguish cruiser tourism from other forms of tourism are the dominant role of B2B (business-to-business) compared to B2C (business-to-customer) marketing, and the popularity of alliances among its major players. Networking is an essential tool in marketing communication. The most noted alliance in the Baltic Sea Region is the aforementioned Cruise Baltic cooperation network. This organisation is a fine example of how marcom tools can be harnessed for the promotion of cruiser tourism.

The principal objective of Cruise Baltic is to promote the region as an attractive destination for cruisers. Its origins date back to 2004, when 12 of the region's destinations pulled together under a joint project called the "Baltic Cruise Project", co-funded from the EU under the Interreg III Programme. The project's success and sustainability can be advocated by the fact that after EU funding was frozen, the project not only continued but the cooperation network welcomed new partners to reach a total of 27 port cities around the Baltic Sea. The Cruise Baltic cooperation network has twice been awarded the "Destination of the Year" title on the Seatrade Hamburg trade fair. The footprint of this cooperation network has been recognised by its business partners the Scandic hotel chain and SAS airlines, which became part of it.

The branding carried out by Cruise Baltic is multifaceted. It includes B2B and B2C branding and also membership of different organisations and participation in and cooperation

with other collaborative networks, coupled with on-line training sessions for agents and tour-operators. Its primary branding channels include:

- A dedicated website (www.cruisebaltic.com).
- Publications such as a brochure on the region presenting all partner cities and their highlights and land-tour packages. The brochure is supplemented with inserts providing information on active operators in the Baltic Sea Region and Partner contact data.
- Press events and articles in business magazines and popular press.
- Study visits for carriers (so-called "familiarisation trips") to give them opportunity to personally get to know better the port conditions and destination.
- Road shows, i.e. Cruise Baltic representatives' visits to carriers.
- Films featuring the Baltic Sea Region and its cities, also to be viewed on cruisers.
- Participation in trade fairs such as Seatrade Miami, Seatrade Hamburg, Seatrade Naples, Crusie3Sixty Trade Fair in Fort Lauderdale, Florida, and Cruise & Ferry Trade Fair, London.
- Education programmes - e-learning in the USA and UK (for businesses – agents and tour-operators, designed to familiarise them with the Baltic Sea Region package; "learning about the region and individual destinations").

Cruise Baltic's policy also focusses on the establishment of common Port-Service Standards. It is not only an information device, but, above all, an instrument to promote the region with highly favourable conditions, both in terms of accommodation and ship service, and one that constantly strives to further enhance the quality of the available port services, while embracing the carriers' expectations and ensuring compliance with international conventions.

An important channel used for the region's branding is through membership of organisations and other cooperative networks. Key organisations joined by Cruise Baltic are

the Passenger Shipping Association, the Association of Cruise Experts, the Cruise Lines International Association and the European Cruise Council (associate membership). In addition, Cruise Baltic is a founding member of the Global Coalition of Cruise Ports Associations. Global Coalition was launched during Seatrade Miami 2012. It is "the network of networks". Next to Cruise Baltic, its other founding members include:

1. *ACTON (The Asia Cruise Terminal Operators Network),*
2. *Cruise Canada New England Alliance,*
3. *Cruise Norway,*
4. *Cruise the West, and*
5. *MedCruise, the Association of Mediterranean Cruise Ports.*

The Global coalition of Cruise Ports Associations is committed to identifying, examining and, consequently, formulating a common policy for:

- cruising and its importance for local socio-economic development, and
- the exchange of information and best practices, and also regulatory revision to empower the development of cruising.

Since 2011, Cruise Baltic has appreciated the input and involvement of organisations and individuals whose actions have had a material impact on the development of the Baltic Sea Region as a destination for great cruise ships, by awarding its Cruise Baltic Crown Award during the Seatrade Miami Convention.

Contrary to cruise-ship tourism, ferry and maritime residential tourism is promoted chiefly through instruments directly targeting the consumer (B2C). Here, the priority is to unlock the wealth of information on tourism, primarily via websites, the exposure of urban and cultural tourism, the popularisation of the destination's profile, the exposure of natural assets, the promotion of national parks, tourism trails, and – last but not least – good prices also known as value for money. Due to the dominant and ever-growing role of the Internet as

an information provider, the primary communication channel on holiday destinations is B2C. The essential tools to reach the target audience are as follows:[10]

1. Viral marketing (currently, it has a spontaneous and chaotic character; it may be well worth considering exploring control and recommendation tools).
2. Cooperation with journalists, including press trips – to attract publicity about the region in daily newspapers published in target countries, travel magazines and airline magazines.
3. E-marketing, including search-engine optimisation (SEO), banners on the most popular tourist web searches, tourist portals and airline websites.
4. Direct marketing.
5. A presence at leading trade fairs. Branding needs to be consistent with the marketing communication strategy and consider in particular the destination's distinctive qualities and strengths, or its "Unique Selling Points" (USP's).
6. Study visits, including for journalists. Coverage in trade-specific and daily magazines. These make up a vital incentive and an effective tool in the decision-making process, hence cooperation with journalists cannot be overvalued.
7. PR – trade events.
8. Trade workshops to demonstrate products.
9. Promotional materials. Usually, there is a wide selection of such materials. Therefore, the effort needs to be focussed mainly on their distribution and exposure. It is also important that they be available in the target audience's mother language.

Compared with cruising, cooperation between the operators involved is not the overriding concern, yet it is still indispensable. Take, for instance, the InterCombi ticket (the InterCombi ticket project was implemented under the INTERFACE project within the South Baltic Cross-border Cooperation Programme 2007-2013). The InterCombi ticket was launched on the basis of cooperation between Rostock, Germany, and Nykøbing, Denmark, with the assistance of Scandlines, a ferry operator. It provides for a single ticket which is valid along

[10] "Marketing communication strategy on the Swedish and Dutch markets," Project Report entitled "Desk-research analysis and qualitative studies on the Swedish and Dutch markets," Warsaw 2011, Project co-funded from the EU under the European Regional Development Fund, Innovative Economy Operational Programme 2007-2013

the route from the train station in Nykøbing Falster to Rostock. The ticket allows you to use all means of public transport in Nykøbing, transfer by bus from Nykøbing to Gedser, travel by ferry, transfer from the port in Rostock to the city centre, and use all means of public transport in Rostock.

Yet another form of collaboration within the marketing communiation strategy framework involves cooperation between the carrier and the local authorities of the port of call. The City of Gdynia and Stena Line, which have been officially partnered since 2010, can serve as an example. This partnership serves to consolidate the region's tourist promotion. Under the declaration of cooperation, the Gdynia Commune has delivered advertising media and locations for displaying advertising materials during various events and in Gdynia's Tourist Offices. the Stena Line, on the other hand, contributes by displaying Gdynia's materials on the ferry terminal in Karlskrona and in Karlskrona's Tourist Office.

In addition, the Stena Line has maintained continuous cooperation with the Pomeranian Regional Tourist Organisation (PROT), which is not only to introduce the Pomeranian region as an attractive destination for short outings or weekend breaks limited to the Tricity area, but also to present as many incentives as possible to attract visitors to Pomerania and Poland via a wide selection of tourist draws, sporting, cultural and entertainment events. PROT cooperates with the carrier in preparing information to be included in publications on Pomerania and Poland, such as the *Ledighet de Luxe* ("Free Time de Luxe) quarterly or "The Pocket Guide." The above-mentioned magazines present a selection of Pomeranian tourist lures, event calendar, recommended restaurants, hotels, etc. Information delivered by PROT is rendered as "expert recommendations." The information is also available on www.stenaline.se. Furthermore, with a view to furthering individual tourism, the Stena Line has also launched a bilingual (Swedish and Norwegian) website – www.findbookandgo.com – which showcases tourist events and highlights on the south coast of Baltic. PROT takes an active part in website development.

5. The identification of industry sectors in terms of labour markets

Since the early 21st century, the development of international tourism has been characterised by:[11]

1. An increasing share of the tourism industry in the global economy, both in terms of the generated revenue and workplaces.
2. Competition on individual tourist markets has gradually become fiercer.
3. The fact that the successful marketing of a tourist package has become increasingly hinged on advertising and promotion, instead of the actual quality, development and services used to deliver the package.
4. The fact that in spite of the increasing globalisation, cultural diversity has not decreased, and the cultural context is becoming an inseparable and crucial consideration in tourist services, assets and destinations.
5. The rapid growth in international tourist traffic in relation to domestic tourism.
6. The growing revenue of businesses operating in the tourism environment, including e.g. airlines, hotels, and cultural organisations.

Maritime tourism in the Baltic Sea region covers all the fundamental sectors. Due to diverse travel motivations, and different trip organisation and duration, each form of maritime tourism is unique and differs in terms of its impact on the maritime-tourism service market.

Ferry services

A ferry service is a form of regular navigation. It is distinguished by the simultaneous transport of goods and passengers within a single market. This joint transport of two different sectors requires specialised ships, i.e. ferries. In consideration of the above, ferryboats have separate passenger and cargo (vehicle) compartments.

The Baltic Sea is one of leading bodies of water in respect of highly-developed ferry services. The operation of ferry carriers and the volume of transport is shaped by the market environment, which has a considerable influence over passenger traffic levels. The volume is

[11] Wanagos M. (ed.), Uwarunkowania i kierunki rozwoju turystyki w województwie pomorskim (Development conditions and directions for tourism in the Pomeranian Voivodeship), UMWP, Gdańsk, 2004, p.137

also determined by the operators themselves, who undertake various measures to generate more passenger traffic. International ferry services across the Baltic concentrate on the three following regions:

- The western market – including lines running between Denmark and Sweden, Norway and Germany, Sweden, Norway and Germany, Germany and Norway, and between Poland and Denmark.
- The central market – including services between Sweden and Poland, Latvia and Lithuania, and trans-Baltic connections between Germany and Lithuania, Latvia and Finland.
- The eastern market – including services between Sweden and Finland and Estonia, and between Estonia and Finland.

The dominant role is played by the western-Baltic ferry market, which accounts for c. 62% of passenger traffic and about 76% of car transport. Throughout the last 5 years, this market has markedly decreased in significance. On the one hand this is a consequence of the negative influence of the market environment; on the other though, it is a spin-off from the increase in passenger traffic across the other water regions. The second-largest market is the eastern Baltic, which accounts for c. 30% of the passenger traffic, and the central market accounts for about 6%. What is noteworthy is that this market has experienced growth following the EU accession of the Baltic States in 2004.[12] This proves the central market's high potential for growth. Leading players in this region are services from Poland and Sweden, which manage to yield positive outcomes despite the prevailing Baltic trends.

Tables 1 and 2 below show the volume of passenger and car transport across the Baltic Sea.

[12] Own calculations on the basis of [Market:11] Statistics, Shippax Information, Halmstad 2011, [Market:09] Statistics, Shippax Information, Halmstad 2009, Statistics 06, the Yearbook for Passenger Shipping Traffic Figures, Halmstad 2006

Table 1. Passenger transport across the Baltic Sea between 2006-2012

Passengers	2006	2007	2008	2009	2010	2011	2012
West Baltic	31,878,026	33,228,220	32,382,424	30,885,554	30,557,823	30,178,535	29,464,903
East Baltic	15,492,770	15,036,663	15,059,727	16,092,159	17,071,019	17,189,256	17,079,688
Central Baltic	3,113,831	3,392,223	3,588,446	3,461,773	3,556,730	3,570,460	3,585,560
Total	**50,484,627**	**51,657,106**	**51,030,597**	**50,439,486**	**51,185,572**	**50,938,251**	**50,130,151**

Source: Own calculations on the basis of Cruise&Ferry Info, No. 1-12/2012, [Market:12] Statistics, Shippax Information, Halmstad 2012, [Market:11] Statistics, Shippax Information, Halmstad 2011, [Market:09] Statistics, Shippax Information, Halmstad 2009, Statistics 06, the Yearbook for Passenger Shipping Traffic Figures, Halmstad 2006 (estimated data for 2012)

Table 2. Car transport between 2006-2012

Cars	2006	2007	2008	2009	2010	2011	2012
West Baltic	7,349,189	7,407,084	7,314,040	7,321,711	6,523,293	5,792,819	6,456,504
East Baltic	1,379,686	1,334,693	1,545,238	1,652,126	2,311,878	1,897,445	1,985,371
Central Baltic	760.299	838.267	821.635	806.391	911.086	936.224	933.250
Total	**9.489.174**	**9.580.044**	**9.680.913**	**9.780.228**	**9.746.257**	**8.626.488**	**9.375.125**

Source: Own calculations on the basis of Cruise&Ferry Info, No. 1-12/2012 [Market:12] Statistics, Shippax Information, Halmstad 2012, [Market:11] Statistics, Shippax Information, Halmstad 2011, [Market:09] Statistics, Shippax Information, Halmstad 2009, Statistics 06, the Yearbook for Passenger Shipping Traffic Figures, Halmstad 2006 (estimated data for 2012)

The passenger sector was characterised by a rapid drop in the overall transport volume recorded right until the end of the 1990s and throughout the first half of the last decade. In 2000 a total of c. 80 million people were transported across the Baltic Sea. This number fell by nearly 40%, to about 50 million in 2005. Such an enormous decrease was the consequence of detrimental changes in the environment, such as the abolition in 1999 of duty-free sales for intra-EU connections, the launch of regular connections in the Great Belt and Øresund, and the activity of low-cost airlines. In turn, from the middle of the last decade, passenger traffic has remained at the steady level of 50-51 million people transported by ferry in the Baltic Sea Region (see Table 1). The stabilisation of traffic was effected by the carrier's innovations in tourist services (package trips, package holidays), marketing actions and new tonnage investments.

The economic recession of 2009 did not have any major negative impact on passenger sector. The majority of lines did not record any collapse in traffic, and some Baltic services even proved the opposite. This was connected with the fact that many tourists had abandoned the idea of far-off trips in favour of close-range tourism due to fuel and plane-ticket costs. Consequently, ferries were used as a means of transport between, e.g. Scandinavia and the southern Baltic countries. Ferry operators also recorded an increase in popularity for package trips.

The following groups can be identified in passenger traffic in respect of the primary motivation for travel :

1. liner passengers,
2. shopping passengers,
3. pleasure passengers,
4. conference passengers, and
5. business passengers.

The first group includes individual travellers who need to reach a given location. The voyage is just a stage in the journey, undertaken e.g. for tourist or holiday purposes, or to pay a visit to a friend, or to attend a cultural or sporting event, etc. Throughout the years, the majority of ferry lines have recorded reduced participation of this passenger group in the overall traffic. This is connected with using alternative travel modes (by air, bridge-tunnels), and also regular increases in the participation of the other traveller groups.

The second group is made up of shopping passengers, whose first aim is to take advantage of bargain deals on the ferry itself or in the neighbouring states. The abolition of such sales on intra-EU connections of 1999, coupled with the extension of the EU in 2004 with the southern and eastern Baltic States, significantly contributed to limiting such sales options. Still, shopping on ferries has continued to offer good value for money, especially for Scandinavian and German residents. This group is also composed of people travelling for commercial purposes to neighbouring countries to obtain cheaper goods. The gap between the income levels and the prices of goods and services in Poland as compared with Sweden is an incentive for visiting the former by citizens of the latter.

The third group comprises pleasure passengers. They take part in ferry trips organised by liner services as package tours. Package tours include the ferry crossing and possibly an organised stay in the ferry's target location or its vicinity. Some packages are exclusive of the organised stay on land, but offer accommodation at a hotel instead. Sea package trips can be very diverse in terms of their programmes, duration and focus on the needs of different market sectors.

The fourth group is conference passengers. These are travellers taking part in various conferences and symposiums organised at sea. The popularity of conferences held on ferries stems from the fact that in many cases they are cheaper to organise, compared to expensive on-shore hotels, and because of the delivered service and entertainment standards.

The last, fifth, group covers people who travel for professional reasons. Next to business travellers, this group comprises people who live far away from their workplaces and have to commute (shuttle trips). The demand for business trips has experienced considerable growth over the years. With the number of these travellers being dependent on the economic situation, there has been a marked growth in this sector following the accession of Poland and other Baltic States to the EU when it comes to their links with Scandinavia.

The Polish ferry industry includes liner services between Poland and Sweden, and between Poland, Finland and Germany, provided by three operators. The connections are as follows

- Gdańsk – Nynashman (Polska Żegluga Bałtycka [Polferries])
- Gdynia – Karlskrona (Stena Line)
- Świnoujście – Ystad (Unity Line)
- Świnoujście – Trelleborg (Unity Line)
- Świnoujście – Ystad (Polska Żegluga Bałtycka)

Passenger-sector transport on the Polish ferry market has exhibited an increase over the last decade. Between 2001-2003, passenger turnover established itself at c. 900 thousand passengers a year. The year 2004 saw an increase by 16.3%, to give 1.044 million people

transported by ferry.[13] The above rise resulted primarily from Poland's accession to the European Union, which affected the flow of Poles travelling to work to Sweden, and Scandinavians' visiting Poland to go shopping . On top of that was greater interest in international tourism, both inbound and outbound. The richer tourist packages produced by carriers were also of substance. The recession of 2009 did not reverse the positive trend in passenger turnover. The total number of passengers serviced by ferry operators in Polish ports was 1.062 million. The number of cars transported was 314.5 thousand, and the overall traffic grew respectively by 2% and 7% compared to the year before. Positive trends continued throughout 2012. Operators available in Polish ports transported 1.101 million passengers, which accounts for a 3% increase compared with 2011 and is even higher than that recorded in 2011 /2010.

Table 3. Polish ferry transport between 2009 – 2012

		Passengers	Cars
Poland Total	**12**	**1.101.616**	**311.077**
	11	1.062.001	314.535
	10	1.040.568	292.367
	09	1.007.532	284.496
Świnoujście – Ystad Polferries	**12**	**154.024**	**63.659**
	11	151.561	62.497
	10	142.004	60.859
	09	122.833	51.347
Świnoujście – Ystad/Trelleborg Unity Line	**12**	**347.997**	**137.377**
	11	347.308	131.436
	10	292.842	108.439
	09	306.028	103.127

[13] Own calculations on the basis of data supplied by Unity Line, Stena Line and Polferries

Gdańsk – Nynashamn Pollferries	**12**	**130.079**	**43.795**
	11	128.132	41.602
	10	132.658	41.858
	09	125.542	41.348
Gdynia – Karlskrona Stena Line	**12**	**469.516**	**86.256**
	11	435.000	79.000
	10	376.764	72.096
	09	350.762	64.940

Source: Data supplied by Unity Unity Line, Polska Żegluga Bałtycka [Polferries], and Stena Line

Car transport ran at about 311 thousand, and recorded a slight decrease by 1%, which corresponds to 3.5 thousand vehicles in actual numbers. However, it must be kept in mind that 2011 saw a leap in this category (+7%), so this drop can be considered as insignificant.

With 435 thousand customers serviced in 2011 on the Gdynia – Karlskrona line, the Stena Line is the most popular Polish operator. The volume of passenger traffic in 2011 amounted to 469.5 thousand to achieve a record turnover in the history of the line. Compared with the year before, this accounts for nearly an 8% increase. Similarly, the number of transported passenger cars topped the service's track record with 86.2 thousand (an increase by over 9%). A factor contributing to such a good result was the complete replacement of vessels servicing the connection. At the end of 2010, the line welcomed Stena Vision, a ro-ro/passenger ship, and in late June 2011 another one – Stena Spirit. These new vessels provide passengers considerably higher standards than ferries previously in use and expand the range of non-transport services (e.g. a SPA centre, a novelty on the Polish market).

Another carrier, Unity Line, runs two services from Świnoujście to Ystad and Trelleborg. In 2011, both lines carried in total over 347 thousand passengers. Passenger traffic in 2012 was on a par with the year before, while the volume of transported cars grew by 4.5%. Both services record annual increases in passenger traffic. The company operates seven vessels, two of which – Polonia and Skania – are cruise/trailer ships which can accommodate 918 and 1800 passengers, respectively.

In 2011, Polferries carried c. 279.7 thousand passengers and in 2010, 284.1 thousand (an increase by 1.6%). The Gdańsk – Nynäshamn suffered a drop in its turnover, triggered mainly by the expansion of low-cost airlines extending their range of connections into the Stockholm area. This service was operated by two ferries – Scandinavia, a cruise-trailer (capacity 1,888 passengers) and Baltivia, a ro-pax (capacity 250 passengers). However, from January 2012, only Scandinavia has run the line. The line between Świnoujście and Ystad, operated only by one ferry, Wawel (capacity 1,000 passengers), was supplemented by Baltivia in January this year. However, the connection has remained under the strong influence of Unity Line services. The increase recorded in 2011 was caused, among other things, by the fact that a line to Copenhagen was closed and, consequently, passengers travelling to this destination were taken over.

Until October 2012, there was a service from Gdynia to Helsinki and Rostock, run by Star-class ro-pax ships, operated by Finnlines. It was a cargo line, where passenger traffic served only to complement the carrier's package and amounted to c. 35 thousand people a year. From the maritime tourism's point of view, this service was of marginal importance. On the other hand, TT-Line, a German carrier, announced that it was to launch a connection from Świnoujście to Trelleborg in the summer of 2012, which would contribute to the ferry-service potential of the Westpomeranian Region (Voivodeship).

The West Baltic region is characterised by highly-developed ferry traffic between Germany, and Sweden and Denmark. In 2011, these markets transported 8.938 million people. The leading lines between Germany and Denmark are Rostock-Gedser and Puttgarden-Rodby services, which account for c. 7 million passengers. These lines, operated by Scandlines, run seven vessels. In turn, the number of people ferried between Germany and Sweden was 1.86 million. The dominant services on this market include Rostock-Trelleborg (282,000 passengers) and Sassnitz-Trelleborg (520,000 passengers), managed by Stena Line since October 2012 via four ferries. Both services were previously run jointly by Scandlines GmbH and Scandlines AB (a company owned by Stena Line). The second leading carrier on this market is the German TT-Line, which maintains two services, namely Rostock-

Trelleborg (263.4 thousand passengers) and Travemünde-Trelleborg (374.3 thousand passengers). These lines employ six ro-pax vessels. [14]

The eastern part of south Baltic has a ferry connection between Lithuania and Sweden. It is the DFDS Seaways' service between Klaipeda and Karlshamn. Passenger carriage is of low quality and 2011 saw only 119,000 people transported, and in 2012 the figure dropped even further to about 94,000. From the ferry-tourism perspective it is a niche market.

The volume of ferry traffic heavily impacts on the functioning of the tourism infrastructure – the back-office delivering services to ferry passengers ashore. Such services within a given ferry connection can be twofold. One group involves services provided to passengers before and after disembarkation, which takes place on ferry terminals. The other category is made up of services offered to ferry passengers on the basis of hotel, catering, commercial, cultural and sports infrastructure. These services are delivered both to passengers who stay in port destinations – Gdańsk, Gdynia and Świnoujście in the case of Poland – and to visitors who only pass through such destinations. Among these, the leading role is played by companies operating in the tourist industry whose services are used by visitors to a given port city. These include hotels, caterers, entertainment providers and cultural establishments. Moreover, ferry tourists purchase goods and make use of non-tourist services (e.g. medical services, municipal transport, hairdressing, etc.).

For businesses operating in ferry traffic, the passenger structure is also of considerable relevance, as travel motivation will directly translate into revenue building, and - consequently - employment in the individual sectors. For instance, "tourist motivation" can be characteristic of holiday passengers. In the case of residential tourism, people will use accommodation at a hotel, catering services and e.g. cultural establishments or entertainment providers. Participants in mini-cruises organised as circular cruises, in turn, have limited access to such services, with no accommodation on shore and rather limited availability of catering outlets, e.g. due to time restraints. The aforementioned "tourist motivation" can also be reported by liner passengers who either plan their stay individually or via an independent travel agency. The demand for services among shopping travellers is by and large confined to

[14] Own calculations on the basis of [Market:12] Statistics, Shippax Information, Halmstad 2012

using commercial services or, in the case of visits longer than single-day excursions, also hotel and catering services.

The volume of ferry transport, its structure, diverse motivations, and year-round traffic allow the conclusion that these are ferry passengers who are the sector acting as the driving force for the demand for "maritime" tourist services.

Cruising

The cruise industry has for nearly 20 years enjoyed continuous and uninterrupted increase in traffic. Global demand for trips offered by cruise-ship operators grew from 4.5 million in 1995[15] to 9.91 million in 2001 to reach 20.6 million in 2011.[16] Primary destinations for cruise operations include the following markets:

- the Northern-American market – with the sub-markets of the Caribbean and the Bahamas, and the west and east coasts of North America
- the European market – with the Mediterranean and Northern Europe
- the Asian and Pacific markets
- the Southern-American market

Having the longest tradition of cruise tourism, the Caribbean and the Bahamas are of utmost importance and their share in transport and tonnage concentration has been at about 50% of the global tourism performance for this sector. The region's tourist and climatic conditions allow round-the-year operation. Typically, due to the demand for trips to other regions, during the summer period part of the fleet is transferred to other seasonal markets, such as the west coast of North America or Northern Europe. The main operators on this market are the Carnival Group and the Royal Caribbean International Group.

With its long coastline, fascinating history, numerous ports and hospitable climate, continental Europe is the second-leading travel market worldwide. The last factor is characteristic of the Mediterranean region (although over the last few years, tourists'

[15] Own calculations on the basis of Miotke-Dzięgiel, op.ct p. 36
[16] European Cruise Industry, Contribution of Cruise Tourism to the Economies of Europe 2012, Cruise Baltic 2012, p. 13

preferences have become increasingly channelled towards mild-climate markets such as Northern Europe; but this is largely dependent on, i.a., the passenger age structure). Even though the Mediterranean market allows round-the-year operation, carriage intensifies during the summer period between May and September. Ships take several- to over-a-dozen-day-long trips "in search of the sun." Leading operators on this market are Costa Crociere (a member of the Carnival Group), MSC Crociere, and Louis Cruise Line.

The sub-markets where cruising is highly developed are Western and Northern Europe. In 2011, this region ran 102 cruise ships, boarded by 1.26 million passengers in 1052 voyages.[17]

The cruise market's operation heavily relies on marine ports. In respect of their functions, it is possible to distinguish base ports serving as embarking/disembarking ports for passengers and supplies, and ports of call where ships stop during a voyage. This classification is not based on port size but on the functions they fulfil, hence ports which serve as base ports to one carrier can be regarded as ports of call by another operator.

A base port needs to comply with stricter requirements in respect of infrastructure and the available non-transport services. This takes into account its accessibility (ease of access by means of land transportation, proximity to airports), hotel infrastructure, catering facilities, shops, tourist information centres, etc.

Similarly to other forms of maritime tourism, ports and port cities enjoy a range of benefits. Cruising impacts on the regional economy by stimulating the demand for services, which, in turn, results in increased employment needs in sectors cooperating on the local job market. Terminals, shops and catering especially occupy roles of pivotal importance.

The Baltic takes up the largest proportion of the Northern-European cruising market. Between 2000 and 2011, the average annual growth rate for passenger traffic in the region

[17] ibidem p. 13

was 12.8%. In 2011, the Baltic ports welcomed a total of 3.6 million cruise tourists.[18] The next year saw continued growth, to reach 4.2 million passengers.[19]

The Baltic cruise-ship market exhibits a seasonal nature. Climatic conditions mean the holiday period in this water body lasts about five months – from May to September. In this time frame, the Baltic welcomes vessels from other regions, mainly from the Caribbean. Principal port destinations are the capitals of countries within the Baltic Sea Region, i.e. Copenhagen, Oslo, Stockholm, Helsinki, and Tallinn, as well as those holding exceptional tourist appeal, such as St. Petersburg, Gdynia, Gdańsk, Rostock, Riga, and Klaipeda, which are either end-destinations for maritime tourists or ports of call where passengers are forwarded to holiday resorts. The average number of days offered by Baltic cruises is about 11-14.

The heaviest volume of passenger traffic in the Baltic region is found in Copenhagen. Apart from being visited by the majority of cruise ships sailing across the Baltic (port-of-call function), it serves as the chief port for embarking/disembarking among the Baltic destinations. Kiel and Rostock, too, serve in the capacity of ports where Baltic trips start and end (in the figure shown below, only 39,000 people accounts for passengers for whom the former was a port of call). The latter is considered an important port of call in Baltic cruise trips. In turn, ports such as St. Petersburg, Tallinn, Helsinki and Stockholm are leading tourist destinations for cruise ships. However, these, too, have only limited use as base ports (e.g. in 2011 Stockholm was the embarking port for 40,000 people while Helsinki for 20,000). Polish ports and Klaipeda serve as ports of call. Table 4 below shows Baltic ports with the greatest tourist flow in the cruising sector.

[18] ibidem s. 15
[19] Press information – News release 11-14 March 2013, Cruise Baltic

Table 4. The number of passengers and calls of cruise ships at main Baltic ports between 2008 and 2011 (number of calls in italics)

Port / year	**2008**	**2009**	**2010**	**2011**
Copenhagen	560,119 / *300*	675,000 / *331*	662,000 / *306*	640,000 / *368*
Helsinki	360,000 / *270*	361,236 / *264*	343,933 / *247*	382,000 / *258*
Tallinn	377,522 / *304*	416,605 / *310*	389,370 / *280*	443,000 / *bd*
St. Petersburg	394,644 / *318*	425,550 / *323*	246,925 / *610*	445,476 / *305*
Stockholm	662,000 / *260*	790,170 / *288*	381,141 / *243*	407,162 / *239*
Rostock	171,500 / *116*	161,800 / *113*	214,800 / *114*	257,300 / *158*
Klaipeda	32,820 / *46*	33,300 / *50*	35,201 / *45*	21,478 / *36*
Kiel	222,130 / *125*	291,388 / *115*	341,537 / *136*	355,000 / *120*
Riga	100,253 / *76*	138,703 / *88*	117,107 / *64*	62,527 / *69*
Gdynia	123,521 / *89*	134,884 / *96*	125,005 / *85*	78,418 / *56*
Gdańsk	13,276 / *36*	16,753 / *40*	8,378 / *26*	6,787 / *21*

Source: [Market:12] Statistics, Shippax Information, Halmstad 2012 [Market:11] Statistics, Shippax Information, Halmstad 2011, [Market:10] Statistics, Shippax Information, Halmstad 2010, [Market:09] Statistics, Shippax Information, Halmstad 2009

In 2012, Copenhagen – with c. 840,000 cruise-ship tourists passing through – continued to enjoy the largest number of passengers serviced. With its 470,000 visitors, Stockholm was at the forefront as well. Rønne on Bornholm has recently emerged as a compelling new destination for operators. This has been brought about by the introduction by the municipal authorities of Bornholm of an effective marketing ploy and the marcom tools described above. The emphasis on investing in cruising has been selected as the strategic focus of Bornholm's administration.

The leading operators in the Baltic Sea in 2011 were

- Aida Cruises – 4 ships, 220 calls, 9 ports
- Aida Cruises – 6 ships, 189 calls, 14 ports

- MSC – 3 ships, 144 calls, 8 ports
- Royal Caribbean International – 2 ships, 126 calls, 11 ports
- Holland America Line – 4 ships, 112 calls, 11 ports

Cruising in the Baltic is complemented by local maritime-tourism operators. These include Birka Cruises, Kristina Cruises and Anedin Line, which run cruise ships all year round on mini cruises across the Baltic Sea.

Table 5. The number of cruise-ship passengers in selected South-Baltic ports between 2003 and 2012 (in thousands)

Year	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Gdynia	58,411	72,977	88,723	94,135	89,088	123,521	134,884	125,005	78,418	108,628
Gdańsk	3,367	7,359	8,353	9,703	12,193	13,276	16,753	8,378	6,787	8,294
Rostock	95,092	92,000	124,500	173,500	133,700	171,500	161,800	214,800	257,300	385,800
Klaipeda	9,115	14,250	23,701	24,914	35,680	32,820	33,300	35,201	21,478	26,769

Source: Cruise Baltic Review 2013 – Statistics 2000-2013, Cruise Baltic data

Table 6. The number of cruise-ship calls in selected South-Baltic ports between 2003 and 2012

Year	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Gdynia	95	82	94	89	87	89	96	85	56	69
Gdańsk	7	28	32	29	39	36	40	26	21	29
Rostock	76	85	97	138	92	116	113	114	158	181
Klaipeda	28	49	59	48	65	46	50	45	36	43

Source: Cruise Baltic Review 2013 – Statistics 2000-2013, Cruise Baltic data

The number of cruise-ship calls at Gdynia in the first decade of this century stabilised at about 82-96 calls per season. In 2011, the number of ships calling at Gdynia dropped to 56. This was the worst performance since 2002, when only 53 cruise ships were recorded. The above situation is the consequence of the falling number of cruise-ship arrivals. In the peak year of 2009, over 134,000 visitors passed through Gdynia, while in 2011 it was mere 78.4 thousand. Such a dramatic drop was affected by the withdrawal of two carriers – Princess Cruises (operating the Star Princess) with 12 calls, and Pulman Tour (operating the Empress)

with 17 calls. The tables turned in 2012 when the number of calls grew and the traffic rose again to 108,000 cruise passengers.

Gdańsk, as a direct cruise-ship destination, has been suffering a collapse in volume. At the same time the arrival vessels are much smaller, which translates into the number of passengers passing through the port in Gdańsk (see Table 5). A momentous year for Gdańsk, and Gdynia, both in terms of calls and passenger volume, was 2009. In turn, 2011 saw only 21 ships with c. 6.7 thousand passengers. An upswing came about in 2012, when both calls and passengers serviced soared (see Tables 5 and 6).

As far as organisation is concerned, cruise-ship passengers form organised groups which take advantage of specially-designed holiday programmes. Such programmes include sightseeing tours of Gdańsk's Old Town, Oliwa, Sopot, a trip to Malbork, and visits to interesting locations in Kashubia. The package is prepared by travel agencies in cooperation with carriers or their agents. In line with the organised schedule, cruise ships stay in their ports of call for several hours, usually between 4 and 12. This is also the case for Gdynia and Gdańsk, so programmes are subject to adjustments from time to time. The Polish market is characterised by the fact that the majority of tourists calling at Gdynia as part of the package is transported to other locations.

Due to the specific nature and motivation of their stay, cruise-ship passengers do not use hotel facilities. Package trips generally focus on tourism (sightseeing tours featuring locations with particular tourist appeal), cuisine and culture. The range of offered services caters for the individual needs and interests of different groups. People who are not interested in any organised stay spend their time individually in Gdynia, shopping or sightseeing.

As far as cruising goes, the heaviest traffic in the Baltic Sea Region is to be found in Rostock. Since 2009, this port has recorded an amazing increase in the volume of serviced cruise-ship passengers – by 100%. Also, the number of cruise vessels grew. Such a remarkable performance is the result of an expanded embarkation capacity. This port is the third-leading Baltic port of embarkation/disembarkation after Copenhagen and Kiel. In 2012, this service was used by 53 cruise ships (35 in 2011). Rostock serves as the base port for AIDA Cruises, a German operator. The port has also experienced an increase in its capacity

as a port of call. This testifies to the highly effective promotion of the region, interesting tourist package and quality transport infrastructure. Passengers are offered outings to Berlin, sightseeing of Rostock and Warnemünde, and also visits to some hotspots across the Mecklenburg-Vorpommern region.

Another destination in the South Baltic Region is Klaipeda. The number of calls over the last five years has been about 43-45 per season. This port is a port of call, which offers sightseeing tours and trips to interesting locations such as seaside resorts of Palanga and Neringa.

In terms of calls per year, South-Baltic cruise-ship destination ports can be categorised as follows:

- huge ports (over 200 calls) – none
- large ports (50-199 calls) – Rostock, Gdynia
- average ports (25-49 calls) – Gdańsk, Klaipeda
- small ports (up to 24 calls) – Szczecin

The number of cruise ships in South-Baltic ports, and the related intensity of tourist flow, rests on a number of endogenic factors, such as tourist attractions, transport and tourist infrastructure, and the quality of logistics ashore. In addition, this sector is heavily dependent on the promotion of the location and the utilisation of the marketing instruments presented above. Whether cruise operators will be interested in particular destinations and also how to build up a given package and which ports to choose, are largely a matter of appropriate promotion and communication between all agents involved in cruise-tourism services.

Cabotage

Cabotage offers short trips in coastal waters. Its target audience is holidaymakers visiting seaside locations, and also the locals living in such regions. In 2011, this sector comprised 27 vessels whose combined transport capacity was 4.8 thousand passengers. All vessels are rather well-worn, aged 16 years or more, including 23 ships with over 26 years of service. There has been a visible decrease in the carriage volume over the years, as presented in Table 7. The leading carrier in this sector on the Polish market is Żegluga Gdańska Sp. z o.o.

Table 7. Cabotage transport in the years 2008-2011

	2008	2009	2010	2011
Total passengers	641,200	574,900	517,500	521,000
Domestic traffic	630,000	570,400	513,200	517,000
International traffic	11,200	4,500	4,200	4,000

Source: Transport – wyniki działalności 2008, GUS (Transport performance in 2008, Central Statistical Office), Warsaw 2009, Transport – wyniki działalności 2009, GUS, Warsaw 2010, Transport – wyniki działalności 2010, GUS, Warsaw 2011, Transport – wyniki działalności 2011, GUS, Warsaw 2012

The so-called "White Fleet" (the whole of the passenger boats/ships used for tourist purposes in inland and coastal navigation) maintains regular services in Gdańsk Bay during the summer period. In domestic terms these include two sectors. The first is traditional cruise trips from Gdynia, Gdańsk and Sopot to Hel, and around the ports in the first two cities, provided by Żegluga Gdańska Sp. z o.o. Short cruises around the bay are also offered by private carriers on vessels adapted to resemble old sailing ships. The other sector includes services under the Water Trams initiative, introduced in 2006 by Zarząd Komunikacji Miejskiej (the Municipal Transport Authority) in Gdynia, which offers trips from Gdynia to Hel and Jastarnia (via Żegluga Gdańska's ships). In addition, Żegluga Gdańska runs cruise trips to Baltiysk. "White Fleet" services are used mainly by Polish tourists, Tricity residents and holidaymakers visiting Gdynia, Gdańsk, or the central coast, in the summer period.

Other leading carriers operating in this sector on the Polish market include Kołobrzeska Żegluga Pasażerska which offers connections from Kołobrzeg, Ustka and Darłów to Nexo, Bornholm, plus cabotage services and sea fishing; and Żegluga Szczecińska which organises trips around the Szczecin port and Szczecin Lagoon.

The demand for these services is generated chiefly by summer holidays. A tempting tourist package can attract potential tourists to seaside resorts and thus directly influence the local labour market of tourist-traffic operators. Klaipeda can serve as an example here. Due to its relatively short shoreline and limited access to the sea, the city has focussed on the development of water tourism in the Curonian Lagun area, and on collaboration with its

neighbouring marine communes. Klaipeda, Palanga, Neringe and Šilutė have entered the so-called "Quarto Agreement", or the agreement of the four, to develop the network of harbours and ports for small coastal and fishing ships navigating the Lithuanian inland waters and Curonian Bay. The 2025 perspective provides for the construction of a harbour for pleasure fishing boats and other coastal ships, at a 40 km distance from Klaipeda.

Yachting

Yachting is regarded as a form of adventure tourism as it combines tourism, recreation and sport. Open-sea trips on yachts are considered the most active forms of spending your free time. Yachting, as a form of tourism involving travelling and, in many cases, mass recreation, has become a popular pastime.

Prerequisites to yachting are infrastructural facilities in the form of marinas which meet technical and maintenance requirements and international standards, while facilitating comprehensive yacht and crew handling.

Tricity ports house several marinas, adapted to providing full range of yacht services (power supply, running water, waste collection, toilets). These include

- Gdynia Marina – located in Gen. Zaruski Marina and administered by the Gdynia Sports and Recreation Centre (GOSiR), acting on behalf of Gdynia Commune, which houses 260 anchorage spaces, suitable for vessels up to 20 m; it provides technical support for yachts,
- Sopot Marina – located at the end of the pier in Sopot, it houses three docks with 103 anchorage spaces; the maximum boat length is 24 m; it provides technical support and catering facilities
- Gdańsk Marina – located along the Szafarnia wharf in Nowa Motława, it houses 60 anchorage spaces; the maximum boat length is 25 m; it provides technical support for yachts
- Anchorage space offered by yachting clubs and centres such as the National Yachting Centre (NCŻ) at the Sports and Education Academy (AWiS) (51 anchorage spaces,

maximum yacht length – 14 m), where also sailor-tourists can rest and use the technical support

The distinctive nature of yachting frees crew members from the need to use the available hotel facilities. As a result, they concentrate on catering, commercial and entertainment services.

Next to yachting for tourist purposes per se, tourist operators in the maritime industry also value sailing events, such as sailing ship conventions, which not only gather large numbers of these vessels, but get together legions of visitors interested in exploring the ships aboard and participating in fringe events. Take for example, the Cutty Sark Tall Ships Races, hosted in Poland on several occasions, i.a. in Gdynia in 1974, 1992, 2003 and 2009, in Gdańsk in 2000 and in Szczecin in 2007. Other such events include the Culture Tall Ships Races Gdynia 2011 and the Old-Timer rallies in Gdańsk.

Support for the development of yachting is readily visible in Klaipeda, which perceives it to be the way to generate new workplaces in the auxiliary sectors. One of priorities under the Klaipeda City Development Strategy 2007-2013 is the Development of the Maritime City. Among other things, the strategy document recognises the necessity to diversify the measures to foster maritime culture, including in its cardinal aspects the organisation of and participation in international sailing events. Consistent in its commitment to this end, Klaipeda takes part in annual Sail Training International conferences to draw the highly-esteemed sailing event known as the Tall Ships' Races; it is also a member of the Baltic Sail, a cooperative network in the Baltic Sea Region, set up by Klaipeda, Karlskrona, Rostock, Gdańsk, Świnoujście, Halmstad and Sassnitz to organise sailing regattas (the latest agreement between the cities provides for an action plan for 2012-2016). Klaipeda is also applying to be the host of a premier off-shore race – the Volvo Ocean Race – in 2015 or 2018. To popularise yachting in Lithuania, Klaipeda has established Sail Training Lithuania.

Yachting is also well-developed in the Rostock area. Rostock and Warnemünde constitute yachting centres. There are a number of marines here such as the Rostock Marina im Stadthafen, the Neptune Marine, and the Rostock Warnemünde Marine. Each year the region hosts the Hansa Sail Rostock sailing-ship rally.

The analysis of the above sectors, making up a broad spectrum of maritime tourism, allows the conclusion that in terms of the demand for on-shore services delivered to maritime tourists, ferry passengers are of utmost importance for the service providers. This is based on the fact that package trips offered by carriers engage all service providers – hotels, catering outlets, entertainment centres, trade venues, and a range of medical, spa, hair-dressing, and other services. In the case of cruising, the leading services include catering and visits to places of interest, and also trading. Moreover, passenger-ship services engage ship-chandler companies and fuel providers. As ferry navigation and cruising generate the highest demand for on-shore services, these two sectors have received the widest coverage. Yachting and cabotage hold less importance for the service market.

Maritime-tourism service providers

The first group of businesses which operate as service providers for maritime tourists are travel agencies. The legal basis for tourist organisers in the EU is Council Directive 90/314/EEC of 13 June 1990 on package travel, package holidays and package tours. The purpose of the Package Travel Directive (PTD) Directive is to standardise the laws, regulations and administrative provisions of the Member States relating to packages sold or offered for sale on the territory of the Community. Individual EU Member States have been obliged to adapt their national legislations on tourist organisers to the said Directive. Poland has in force the Act of 27 August 1997 on tourist services, which enforces the provisions of the PTD. In Germany, a considerable part of the PTD has been implemented by the German Civil Code (Bürgerliches Gesetzbuch - BGB) and supplemented by the adopted Regulation (Ordinance) on Civil Code Information Duties (Verordnung über Informations- und Nachweispflichten nach bürgerlichem Recht; BGB-Informationspflichten-Verordnung).

As at December 2012, in the Pomeranian Voivodeship, Poland, the number of registered tourist organisers and retailers totalled 256, ranking it fifth in the country (following the Mazowieckie, Śląskie, Małopolskie and Dolnośląskie Voivodeships)[20]. The number of

[20] 2007-2011 Tourist Economy Report, Ministry of Sport and Tourism, Warsaw 2013, p.86

organisers and retailers registered at the Marshal's Office (UM) as at the end of December 2012 dropped to 224, half of which – 123 – operate in Tricity, including 76 in Gdańsk, 30 in Gdynia and 17 in Sopot. The number of businesses actively operating on the tourist market is lower and prevents conclusive estimates since some of them only have tourism registered as part of their business occupation, without actually providing any services. The number of businesses operating as agencies can only be approximated, as these are not included in the UM registry. Estimates show that there are about 45 tourist agents in each of Gdynia and Gdańsk, and in Sopot about 10.[21]

According to their functions in maritime tourism, the companies involved can be classified as follows:

- maritime tourism organisers in ferry navigation – represented by ferry carriers – Stena Line and Polska Żegluga Bałtycka (with the latter operating in this area via its own travel agencies) – dealing in the organisation of tourist packages for passengers arriving in Poland by ferry; in this respect they cooperate primarily with accommodation providers (group and individual lodgings) and caterers (catering services for groups rather than for individuals); as part of their auxiliary services they cooperate with transport companies – buses and taxis for sightseeing groups and individuals respectively, and also with tourist-information centres.
- maritime tourism organisers in cruising – travel agencies within this group arrange and organise the stay of cruise-ship passengers; they cooperate primarily with coach carriers, tour guides, cultural establishments (e.g. museums) and caterers; Baltic Gateway is the leading organiser; furthermore, cruise-ship operators, such as the Morska Agencja Gdynia (Gdynia Marine Agency, MAG) and Inter Marine, collaborate with service providers.
- retailers and tour operators – travel agencies here operate, above all, in the distribution of ferry-carrier packages, including the sales of tickets and packages; these businesses cater mainly for Polish outbound tourists; additionally, they help to service cruise vessels.

[21] Own calculations on the basis of PROT data

In terms of size structure, travel agencies are SME's. Data for PKD (the Polish Classification of Activity) 79.1 "Travel agency, retailer and tour-operator activities" (as at 31 Jan 2013) shows that as many as 97.5% are micro-enterprises which employ up to 9 people, while small enterprises (up to 49 employees) account for 1.9%, and medium-sized companies (50-249 people) for 0.2%.[22] Large companies make up no more than 0.1% of this group. When analysing the businesses operating in Tricity, it becomes evident that their structure is representative of the whole country. In the sample group of 50 travel agencies, 46 were micro-enterprises, and, as regards maritime tourism organisers in ferry navigation, Stena Line and Polska Żegluga Bałtycka (with the latter registered in Kołobrzeg), are medium-sized companies.

What is characteristic of travel agencies is the unfavourable ratio between their equity and revenue. Financial-standing ratios are generally negative. Indeed, in 2010, the return on equity (ROE) for the industry was -1.6%, and the return on assets (ROA) amounted to -0.4%.Return on sales, on the other hand, was subject to fluctuations – reaching from -5.02% to 10.1% - which stands as evidence of the highly diversified condition of companies. Interestingly, companies in this sector show a low proportion of equity, which means that they cover their operating expenditures with customer prepayments or bank loans. This situation brings detriment and impacts on financial liquidity. This is evidenced by various indicators, which are below the acceptable levels. In 2010, the Current Ratio (CR) was 0.97, while the Quick Ratio (QR) was 0.90. Such figures forecast a risk of impaired capacity to discharge current liabilities in a timely manner.[23] The above applies to micro and small businesses. As regards ferry operators, their tourist packages constitute non-transport activities and are recorded on the consolidated balance sheet, profit-and-loss account, and cash-flow statement.

Another sector to provide services to maritime tourists is the accommodation industry. In 2011, this sector totalled 7,039 facilities operating in Poland. The most numerous group of

[22] http://www.stat.gov.pl/bip/389_5699_PLK_HTML.htm

[23] Annual Report - the economic and financial situation by business sector, as defined in the PKD Strategy and Analysis Department, Bank PKO BP, Warsaw 2012, pp.86 -88

elementary facilities are hotels, comprising 1,883 facilities offering a total number of 186,968 beds. A new market phenomenon was for some hotels to lower their official ranking to embrace a wider group of target customers. Since 2007 there has been an increase in the number of budget hotels, e.g. brands of hotel chains such as Accor – Ibis and Ibis Budget.[24]

In respect of size structure, c. 75% of the accommodation industry are small enterprises employing between 10 and 49 people. At the same time, these generate 22% of the sector's revenue. Since 2009, the economic standing of hotels and other lodging facilities has enjoyed a gradual improvement, which is a consequence of a more favourable economic climate – a key determinant of tourist traffic. For instance, in 2011, ROE for the industry was 3.6%, and ROA amounted to -2.1%. The applicable ROS, in turn, was recorded at 5.7%. However, business performance varied. Take ROS, for instance, which oscillated between -24.8% and 16.8%. With CR at 1.17 and QR at 1.07, financial liquidity experienced a period of satisfactory performance.[25]

In 2011, the Pomeranian Voivodeship had 776 operating facilities, which ranked it 3rd (after the Małopolskie and Westpomeranian Voivodeships).As at 3 August 2012, there were 60 hotels of different ratings, with 3-star establishments as the most numerous. Gdańsk boasts the largest number of hotels (33), with Sopot as runner-up (15) and Gdynia (12) ranked third. For the classification of hotels by standard, please see Table 8.

Table 8. The number of hotels by category in Tricity – as at October 2012

City	2*	3*	4*	5*
Gdańsk	7	16	7	3
Sopot	6	4	2	3
Gdynia	5	5	1	-

Source: own calculations on the basis of PROT data

[24] 2007-2011 Tourist Economy Report, op.cit., pp. 96-98
[25] 2011 Annual Report - the economic and financial situation by business sector, as defined in the PKD, op.cit. pp. 72-74

As noted above, on-shore accommodation is by and large the domain of ferry passengers. Survey studies carried out under the INTERFACE project show that nearly 75% people choose hotels as their lodging, with three-star as the most popular. The other facilities include boarding houses and youth hostels. Individual accommodation, i.e. suites, has also enjoyed growing popularity. In terms of their financial standing, hotel performance in Tricity corresponds, more or less, to the national average.

An important part of the tourist economy is taken up by the catering market, which is experiencing exponential growth. According to CSO data, in 2010 Poland was home to 70,000 catering outlets. A strong upward trend emerged between 2007-2011 in respect of the number of restaurants - an increase by 4,000 (37%). In 2011, the majority of catering establishments were concentrated in hotels and other mass-accommodation facilities.[26] The financial performance of catering outlets in 2010 improved in relation to 2009, mainly as a result of higher demand for their services. Large employers (with over 250 people) comprise 5% of the businesses operating in this sector. Estimates show that these generated 54% of the overall industry revenue, about half of which was produced in foreign-capital companies. The financial performance of this group's operators were characterised by diversity. ROS, for instance, fluctuated between -13.7% and 13.9%.[27]

In Lithuania, the volume of hospitality operators in maritime tourism in 2010 was 381. This group covers accommodation and catering businesses, travel agencies (and tour operators), and cultural institutions. Overall, these employed 3,774. This data shows that the group is made up of SME's. Their revenue is estimated at EUR 52 million.[28]

A PEST analysis can be employed to explore the macro-environment of maritime tourism. The diagnosis would consider

Political,

Economic,

Social and

Technological factors

[26] 2007-2011 Tourist Economy Report, op.cit, pp.102-103

[27] The Annual Report - the economic and financial situation by business sector, as defined in the PKD, op.cit pp.75-76

[28] Foresight Study (Lithuania), the Generation Balt Project, South Baltic Programme, 2012, pp. 11-13

The macro-environment of maritime tourism is illustrated in Table 9.

Table 9. PEST analysis for maritime tourism

	Opportunities	**Risks**
Political (and regulatory)		
Poland and Lithuania's accession to the EU	+++	
Freedom of services and movement	+++	
The adaptation of Polish, German, and Lithuanian regulations to PTD	+	-
The Sulphur Directive		---
The Passenger-Rights Directive	+	-
Economic		
Ferry-connection networks	++	
Budget airlines		--
Exchange-rate fluctuations		---
Barriers to bank lending		--
Fiscal policy		---
Richer societies	++	
Economic-growth rate	+	-
Social		
Demand for tourist services	+++	
Interest in maritime tourism		
Skilled manpower	+	
Technological		
Investments in infrastructure	+++	
Tourist packages	++	
IT development	+++	

Source: own work

There are no conclusive statistical or economic data solely on maritime tourism. This is due to the fact that the majority of operators in this industry provide services for various tourism sectors. Therefore, the cited data are characteristic of the whole industry.

6. Employment in the maritime-tourism sectors

There is no detailed and clear data on employment in the businesses involved in maritime tourism. The majority of companies, including travel agencies, hotels, food and beverage service companies and entertainment and culture establishments provide their services to different tourist categories. This makes it difficult to identify and compile accurate data concerning employment in maritime tourism. Furthermore, with each country applying a different methodology for compiling and demonstrating data, it is impossible to compare it. However, one may safely assume that the labour market trends within the tourist industry are uniform across the South Baltic Region.

According to a report prepared under the Generation BALT project, in 2010, 19.9 thousand people worked within the Pomeranian Voivodeship in the tourist industry. Of the three seaboard voivodeships (Pomeranian, Westpomeranian and Warmian-Masurian) involved in maritime and seaside tourism, the Pomeranian Voivodeship accounts for 43% of those employed in the tourist industries[29]. And, given the seaside location, it is reasonable to believe that the businesses operating in the broadly defined tourism industry in the region of Tricity, Świnoujście and Szczecin provide different services to maritime tourists.

In line with the Polish Classification of Business Activities (PKD), the tourism-sector activities involve:

- transportation and storage – section H
- accommodation and food service activities – section I
- administrative and service support activities – section N
- arts, entertainment and recreation – section R

Travel agencies and tour operators are listed in section N.

[29] Maritime sectors and labour market – Pomeranian region, Generation BALT working paper, Gdynia 2012, p. 38

The tourism economy is based on services. There is a high fluctuation in labour demand within the above-listed sectors of this industry. Table 10 shows the percentage of business entities in the individual sections operating in the Pomeranian Voivodeship and declaring staff turnover:

Table 10. Businesses (%) accounting for staff turnover in 2011 (the Pomeranian Voivodeship)

Turnover/section	**H**	**I**	**N**	**R**
dismissal	42	55	60	30
resignation	62	58	75	50
employment (hiring)	83	82	80	70

Source: own study based on the "Pomeranian employment barometer," Report by the Voivodeship Labour Office in Gdańsk, Gdańsk 2011. Section H – transportation and storage, section I – accommodation and food service activities, section N – administrative and service support activities, section R – arts, entertainment and recreation

The main reason for dismissals was that the employees were not competent and skilled enough to meet the specific requirements of their posts. Also, businesses needed to cut back on spending and optimise costs. Voluntary resignations were most often the result of employees having found a better job, whether in financial or general terms, or having reached retirement age. The underlying reason for hiring new staff was the need to replace an outgoing employee and also the expansion of business, which requires increased employment.[30]

Seasonality is major factor in shaping labour demand in the tourism sector. This is especially the case in the accommodation and food service industries, in which increased seasonal employment is recorded in the summer.

It is therefore reasonable to conclude that staff turnover is an inherent feature of companies involved in providing services to tourists, including maritime tourists. This is

[30] "The Pomeranian employment barometer," Report by the Voivodeship Labour Office in Gdańsk, Gdańsk 2011, pp. 32-35.

reflected in the relatively large numbers of both outgoing and newly-hired employees. What is also typical of this sector is labour migration between businesses with the same profile of activities. All this is attributable to the nature of this industry.

Businesses involved in the tourism sector use various recruitment methods. Depending on the area of business, these are as follows[31]:

- section I – accommodation and food service activities – private employment agencies, press and the Internet
- section N – administrative and service support activities – private employment agencies, press and the Internet
- section H – transport – private employment agencies, direct contact with schools, relatives and acquaintances,

Businesses that generate employment demand point to the difficulties in recruitment. For accommodation and food service companies, the central problem at work is the lack of professional experience, whereas in travel agencies the main difficulty, in addition to insufficient experience, is inadequate education[32].

In Lithuania, entities involved in maritime tourism are listed under a single group that includes accommodation, food services, travel agencies (tour operators and agencies), cultural institutions (libraries, museums, archives) and entertainment and sporting business activities. In 2010, this sector employed 3,744 individuals.[33] Furthermore, the merchandise trade and passenger traffic sector in the Rostock port employs, directly or indirectly, approx. 12,000 individuals.[34] This data does not identify individuals who are directly involved in maritime tourism.

[31] "The Pomeranian employment barometer," Report by the Voivodeship Labour Office in Gdańsk, Gdańsk 2012, pp. 43-44.
[32] ibidem p.49
[33] Foresight Study (Lithuania), Generation Balt Project, South Baltic Programme, 2012, pp. 11-13
[34] Foresight Study, Germany – Mecklenburg –Western Pomerania, Generation Balt Project, South Baltic Programme, 2012, p.10

7. Education in the tourism sector

Individuals referred to as maritime tourists use a variety of services provided on shore by the businesses operating in the broadly defined tourism and associated industries. What is typical about the services sector is that the quality of client service largely depends on the individuals employed. This is because they stay in direct contact with the client, in this way building a positive or negative image of the company. Client satisfaction determines the company's image, which may be of a fundamental importance to its competitive position on the market. What is also important here is the so-called buzz marketing which may lead travel agencies, hotels, catering outlets and entertainment venues to either winning or losing clients.

Tourists who arrive in Polish ports on passenger ships mainly include Germans, Americans, Western Europeans and Asians, mostly Japanese. Ferries are used for the most part by Swedes and other Scandinavians, including both independent and package trips. They are accustomed to the high quality of services provided by both ferry and passenger ship owners, including services available on shore. Polish tourists are also growing increasingly demanding.

Because of the nature of the tourism industry staff are crucial to how successfully a tourist company operates. This entails the need to hire highly-qualified and competent staff capable of meeting the growing demands of tourists. To address this need, more focus should be placed on educating and training qualified personnel, which will ensure both client and employer satisfaction. With regard to the sectors concerned, this involves secondary and post-secondary (higher) education.

In Tricity, there are a total of 12 higher-education institutions that educate qualified employees of the tourism and associated industries.

Among public universities, the Gdańsk University of Physical Education and Sport is the most popular, with undergraduate and Master's programmes in Tourism and Recreation. Among other specialties, there are available "Leisure Time Management," "Cultural Tourism," "Tourism Economics", "Hospitality & Hotel Management," "SPA&Wellness," "Water Tourism," and "Tourist and sporting business management." Due to its profile, the university is focussed on active tourism.

The Gdynia Maritime University is another public university. Under the Commodity Economics Engineer's Degree and Master programmes, it has the "Organisation of Tourist and Accommodation Services" majors available to educate qualified staff of travel agencies, hotels and tourist-traffic services. The University cooperates in maritime tourism with ferry operators Stena Line and Polska Żegluga Bałtycka. Furthermore, within the programme in management, it provides the "Logistics and Maritime Trade" major to educate future specialists in the sector of port services rendered to maritime tourism entities. Graduates of the Navigation, Marine Engineering and Marine Electrical Engineering are employed by ship owners – ferry carriers operating on the Polish market and, through crewing agencies, by passenger ship operators.

Tourism education at the University of Gdańsk is provided only to a very limited extent, with only a single major involving tourism (Management in Tourism) available as part of undergraduate and Master's courses in management.

The Gdańsk Academy of Tourism and Hotel Management is the leader in the domain of non-public education. Its focus is on educating the qualified employees of the tourism and related industries. The Academy provides undergraduate and Master's programmes in Tourism and Recreation, including such majors as "The Hotel Trade and Catering Management", "Health-resort tourism, SPA & Wellness", "Dietetics and Gastronomy", "Agritourism", and "Aviation Tourism." The university is flexible and introduces new specialities on a regular basis to respond to market needs.

Tourism-related education is also provided by the Gdańsk School of Banking, where students can enrol on an undergraduate programme in "Tourism and Recreation", choosing from such specialties as "Hospitality," "Tourism Management," "International Tourism," "Health Tourism," and "SPA&Wellness." Also, students can opt for the "Organisation and Management in Tourism" specialty as part of the Master's programme in Management. Moreover, the GSB's branch in Gdynia offers the "Tourism – Organisation and Management" major within the course in Economics.

Other non-public universities providing tourism-related education include i.a.:

- The European University School in Sopot – an undergraduate programme in Tourism and Recreation
- The Sopot High School – an undergraduate programme in Preservation of Cultural Heritage
- The Gdańsk School of Humanities – an undergraduate programme in European Studies, including the "International Tourism" specialty
- The Gdynia School of Social Communication – undergraduate programme in Tourist Management and Recreation.

Public universities such as the University of Gdańsk (Faculties of Economics and Management) and the Gdynia Maritime University (Faculty of Entrepreneurship and Quality Science) provide programmes in management, economics and international economic relations to educate highly-qualified staff in the areas of management, marketing, finance, accounting, financial analysis, and logistics. This staff is also employed by businesses involved in tourism. Tourism-related education is also provided by non-public universities, e.g. the Gdańsk School of Banking and the Gdańsk School of Management.

Secondary schools include specialised secondary schools (*liceum profilowane*), vocational high schools (*technikum*) and basic vocational schools. These schools educate entry-level staff and include

- The Hotel and Catering School Complex in Gdańsk – educates hotel clerks, qualified cooks and waiters.
- The Commerce Schools Complex – provides education in Tourism Management and Hospitality.
- The Hotel and Catering School Complex in Gdynia – educates, i.a., hotel clerks, catering-services managers, food and catering-services technicians.
- The Maritime Schools Complex in Gdańsk – educates, i.a., hotel clerks, logistics technicians and tourist-service technicians.

Within the region of Mecklenburg-Vorpommern, there are four higher-education institutions that educate staff for the maritime economy by providing programmes that are either directly or indirectly related to the maritime sector. The University of Applied Sciences

of Straslund provides undergraduate education in "Leisure and Tourism Management, and also a Master's programme in "Tourism Development Strategies." Furthermore, the University of Rostock and the University of Greifswald have programmes in economics, the graduates of which may also take up employment in the maritime tourism sectors. Other study programmes are focussed on educating staff employed in ports, shipping transport and shipyards.

Klaipeda University provides education in the area of Tourism and Recreation, also available in English. The Lithuanian Maritime Academy has programmes in Port and Shipping Management and Finances of Port and Shipping Companies, the graduates of which may take up employment in the maritime tourism sectors as well. Tourism-related education is also provided by three other universities, i.e. the University of Applied Sciences in Klaipeda, the Klaipeda Business School and the state-owned Klaipeda State College.

The above-mentioned possibilities in higher and secondary education fit in with the areas in which business involved in providing services to maritime tourists operate. However, despite this wide range of educational areas covered, the existing tourist-industry-related education is insufficient, especially in teaching practical skills.

8. The future skills and qualifications of staff employed in the maritime-tourism services sector

"The Pomeranian Map of Professions and Professional Skills" provides a definition of the term "professional qualifications." *One can describe it as "the ability of an individual to use his/her knowledge, skills, personal and cultural values and features to achieve the aims, results and standards that are expected from him/her on a specific position."* One should view professional skills in three different aspects:

- Personal features – they are described as the basis of professional competence, and include, most importantly, creativity, self-reliance, integrity, communication skills, diligence, persistence, responsibility, self-assertion, resourcefulness, etc. On the one hand, these features are predisposed. On the other, they are shaped in the course of

pre-school, school and university education.

- Key competences – include the general abilities necessary to complete specialised education and later function on the labour market. These are, most importantly, communication skills in Polish, communication skills in foreign languages, competence in information technology and IT systems, entrepreneurship, the ability to learn, and personal culture.
- Professional qualifications – comprise the specific qualifications required to engage in a profession, i.e. the knowledge, skills and competences necessary to function on the labour market, acquired in the course of school and university education, and also during courses, training, etc.

The tourism industry is seen as being instrumental in developing the labour market. And what is of particularly great importance in the seaside regions is maritime tourism. As previously identified, ferry tourism and passenger-ship tourism are the two key segments that generate labour demand in the service businesses involved in this sector. The nature of these forms of tourism requires the staff of tourism industry businesses to have specific skills and personal characteristics. Based on the surveys conducted, these can be classified as follows:

- personal skills – employers require most of all integrity, diligence, self-reliance, creativity, and collaborative skills,
- key competences – employers require most of all personal culture, IT skills, and the ability to acquire general and segment-specific knowledge of the sector
- Professional qualifications – foreign-language command is the most important qualification in the maritime-tourism sector, where English competence is considered the basic precondition, with Swedish and German being desirable (market segmentation). Education in the given field (hospitality, catering, regional history, etc.) is an essential requirement as well.

Education is an extremely important aspect of the profile of employees working in the maritime-tourism services sector. However, there is no full consistency in the way employers evaluate education. A correlation can be observed between the level of education and qualifications, with a substantial proportion of staff (over 70%) of the sector concerned having higher education, their qualifications being evaluated by the employers as very good and good, except for five “average” and “poor” answers, most likely attributable to the

quality of education provided by some universities.

The international nature of maritime tourism is an important factor underlying language requirements. In the tourist industry, it is essential to have at least a B2 (Common European Framework of Reference for Languages) Degree in English. Graduates of universities from the South Baltic Region should be equipped with this level of language competence. B2-level competence (in English and/or another foreign language) is therefore one of basic requirements for employees working in the maritime-tourism service sector. What is important in the process of education is the professionalisation of graduates. So it is imperative that undergraduate and engineer's programmes provided in the areas involved in maritime tourism are practical in their focus. In Master's programmes, with a practical focus of studies, as opposed to the traditional academic approach, provides students with better professional qualifications in respect of professional experience.

In line with the European Qualifications Framework, universities should adopt curricula that correspond to education results, including knowledge, social skills and competences required for specific fields of study. So in order for the education of future employees to be in sync with what the maritime tourism service employers require from them professionally, the effects of education must correspond to the requirements on the labour market. The professional qualifications of staff should be additionally enriched by way of specialised training organised by universities or businesses and institutions operating on the tourist-services market. With these in place, labour mobility should improve.

9. Cross-border cooperation

Modern-day Europe is a Europe of regions. It is often the case that regional policies, while not conflicting with their aims, supersede national policies in the area of social and economic development. Sizeable results of international cooperation, in particular including cross-border cooperation (compatibility of interests due to geographical location, often a shared environmental and cultural conditions and background), are easier to achieve at the regional level. This compatibility, and also a shared background, help attain more sizeable benefits from international cooperation, and also improve the competitive position of the region, industries and individual businesses that operate within. This can be explained by the

fact that countries and regions, and also local communities, strive to build a permanent competitive edge by creating a business-friendly environment. What makes a region competitive is its businesses. And the economic efforts of a state or a region are focussed, among other things, on supporting entrepreneurship and active SME-sector policies. This is important for the tourist industry; given that it comprises largely small and medium-sized enterprises.

Cross-border cooperation creates an opportunity for expanding social and economic relations, promoting the region, helping its economy grow, and for engaging in international regional cooperation organisations to facilitate development in a given area.

The cross-border and cross-national cooperation established under the Interreg II and Interreg III Community Initiatives, implemented between 2004 and 2006, is currently being carried out in the EU by way of the 2007-2013 European Territorial Cooperation Programmes. The fact that territorial cooperation has become an independent area of the cohesion policy is an indication of how important joint initiatives of EU partners are. In pursuing this cooperation, entities operate on both sides of the state border or, where they do not border each other, engage in "supra-border" cooperation. Such cooperation is an inherent part of economic integration.[35]

Cross-border cooperation is essentially about developing local and regional networks of relations to foster sustained economic cooperation and promote mutual trust between neighbours by bringing down educational, cultural, and social barriers. And since cross-border cooperation is an area of EU regional policy, it is governed by European law.

The new programming period brings new opportunities and challenges to make the best use of EU funds provided under:

1. Cross-border cooperation programmes: the South Baltic Programme and the Poland-Russia Programme (a European Neighbourhood Instrument)

[35] Solarz P., Współpraca transgraniczna jako czynnik procesu integracji europejskiej (Cross-border cooperation as a factor in the European integration), published by Wizja., Warsaw 2009, pp. 8-76

2. Cross-national cooperation programmes: the Baltic Sea Region Programme and the Central Europe Programme
3. The International Cooperation Programme (the European Territorial Cooperation: goal 2 of the EU cohesion policy)

The 5th Baltic Sea Tourism Forum declaration sets out in detail the tasks to be pursued under the cross-border cooperation of the Baltic Sea Region States in the next programming period of 2014-2020. The new programming period will be a challenge, and a chance to make full use of the tourist industry, including maritime tourism, with a view to fostering economic development in these regions in respect of the principle that "The Baltic Sea breeds unity rather than divisions."

Developing the Baltic Sea Region into a coherent and more successful tourist destination is a long-term challenge that requires the engagement and cooperation of all the players involved. One of the major goals of the cooperation is to make tourism a significant factor in boosting regional competitiveness by, among other things, working out a recognisable and unique brand of the area through providing attractive tourist services. To this end, all the regional market players should define the areas of cross-national cooperation, in that they take into consideration the tourist product, the development of services and also to whom they are addressed – in other words, what are the crucial outlets at the moment and in the future. In order to achieve this goal, it is indispensible to develop appropriate cooperation structures. Indeed, being fragmentary and provisional in nature, the existing structures above all serve the implementation of projects.

The Baltic Sea Tourism Forum has been in place since 2008 to enable its members to share information and initiate or continue cooperation. The Forum's objective is to strengthen cooperation between states, and, in pursuing this objective, it promotes and demonstrates the importance of tourism to the economy, and also analyses the international development processes at work. These issues are of immense importance for the achievement of aims and tasks set out in the EU Strategy for the Baltic Sea Region. What we need is stronger cooperation between the Forum and the coordinator of the Priority Theme Tourism carried out under EU Strategy. The cooperation should be focussed on two core issues:

1. The contribution of tourism to the economic development of the Baltic Sea Region within the Europe 2020 strategy.
2. The prospects for closer, stronger cooperation of all its partners in the future programming period of 2014-2020.

Involved in this cooperation are representatives of tourist institutions from the Baltic Sea Region, partners in projects co-financed by the EU, national, regional and local administrations of the Baltic States, tourist businesses, and also a group of experts. What has been emphasised is the need to focus on the added value, the economic significance and the sustainability of the results achieved in the joint projects and initiatives.

Participants in the 5th Baltic Sea Tourism Forum worked out a common position on tourism, and also adopted a Declaration, in which they accentuated the need to:

1. Recognise the impact that the tourism sector has on economic and social development, and also on environmental protection. Indeed, tourism is the third-largest sector in the EU economy in terms of employment figures and the potential for creating new jobs.
2. Acknowledge the significance of the tourism sector in implementing the Europe 2020 strategy.
3. Support the tourism sector in the challenges it faces in terms of global competition, demographic trends, changing tourist behaviour, climate changes, the increasing awareness of the importance of sustainable development policies, and the increased popularity of innovative technologies.
4. Given the fact that the tourism sector is largely made up of small and medium-sized enterprises, stronger cooperation is needed in particular in the area of information, training, competitiveness and effective marketing.
5. Identify new areas of cross-border and regional cooperation, among other things, with a view to preparing for the new programming period of 2014-2020.
6. Get involved in the process of research and education. Engage in cooperation with the science, creative industries. Recognise the historic legacy.

7. Ensure that the cooperation helps get the largest possible share in the funds earmarked for the future programming period, and pursue cooperation with non-EU partners, in particular the Russian Federation.
8. Get the players of other economic sectors (transport, infrastructure, labour, culture, and education) involved and engage in cooperation with institutions to promote the development of rural and suburban areas, and also to stay in touch with new technologies and innovations.
9. Support the creation and development of clusters.

10. Cultural issues in the industry

The ever-intensifying globalisation processes strengthen the socioeconomic ties. Unlimited by state borders, these processes are changing the way businesses operate, and consequently impact on employment. Having joined the European Union, the citizens of Poland and Lithuania have gained access to new labour markets and new employment opportunities. However, the South Baltic Region, despite sharing many qualities and a common heritage, is diverse in terms of population, living standards, and environmental and socioeconomic conditions.

The shared EU market is based on four freedoms – the free movement of goods, capital, services, and people. Whereas there are no major obstacles to pursuing the first three freedoms within the territory of the Community, the free movement of people is hampered in a number of ways. It is estimated that only approx. 2% of EU citizens work in other Member States.[36] Therefore, it is essential for the labour market to make efforts towards identifying barriers and subsequently bringing them down. It is particularly important for the South Baltic Region cross-border cooperation to develop.

2008 was the European Year of Intercultural Dialogue. At the heart of the discussions was the promotion of intercultural dialogue and the strengthening of "intercultural competence,", i.e. – abilities that enable the people from Europe to make the most of this

[36] Magazine No. 30, European Communities, The Publications Office of the European Union, 2008, p. 55

diverse cultural environment. In other words, this competence is about knowing foreign languages, learning social skills, and also developing cultural awareness.

The major factors that discourage people from changing their place of residence and work that involves moving abroad include language problems, either the lack of or poor language competence and unfamiliarity with foreign tax laws and administrative procedures governing employment in other states. Another barrier is the fear that the professional experience and qualifications held will not be honoured abroad. What is also a factor here is the unawareness of how to get advice on education and employment opportunities abroad.

This is why the European Commission has considered mobility and language skills to be substantial factors in promoting chances of employment. To foster these, the following programmes have been put in place:

1. Comenius – a programme designed to foster mobility, cooperation, and e-twinning between secondary schools.
2. Leonardo – a programme designed to promote the mobility of interns and trainers in the education and professional training sector.
3. Erasmus – a programme of student exchange between universities.
4. Grundtvig – a programme designed to foster mobility and student exchange in lifelong-learning programmes.

“Erasmus” is the most popular programme. It is a major contribution to mobility in higher education that has been growing on a year-on-year basis. Mobility is also promoted among young people attending vocational schools and those who engage in lifelong learning. These programmes are meant to improve the situation on the European labour market. Particular emphasis is placed on foreign language competence. In 2007, the European Commission established the Business Forum for Multilingualism to find out how businesses can use language skills to do better on foreign markets.

Poland has also recognised the importance of foreign language knowledge. Between 28 and 29 September 2011, Warsaw hosted a number of official events as part of the Polish Presidency of the Council of the European Union, during which the so-called “Warsaw

Declaration" was issued. The Declaration stated "*foreign language competence and skills are now the key prerequisites for being able to cope in today's world of and on the contemporary labour market, and also a guarantee of better education opportunities for young people and the improved professional mobility of adults.*" The conclusions drawn by the discussion groups in the process led to the belief that multilingualism is not only Europe's heritage but also a chance to build a society that is inclusive, open to cultural diversity and eager to cooperate.

The main factors identified as hampering mobility are above all:

1. The lack of language competence
2. The lack of information
3. The tax system
4. The system of recognising diplomas
5. The right to social benefits
6. Labour market restrictions
7. The right to pensions
8. Mental barriers, prejudice, stereotypes, cultural differences, customs

To face these challenges, the Baltic Sea Labour Forum – a cooperation network bringing together employers, trade union organisations and Government institutions – was held on 11 November 2012. Among other things, the core objectives of the Forum include direct support of mobility, specifically:[37]

1. Highlighting the need for accurate and comparable labour market information and statistics database on the Baltic Sea Region labour market.
2. Recognising cultural differences to realise that the models of social dialogue differ from country to country and are not directly transferable from one country or region to another. Not all solutions are "reproducible."

[37] Baltic Sea Labour Forum, Working together through social dialogue, Final BSLF Resolution, Hamburg, 15.11.2012

3. Stressing that cross-border mobility should be of mutual benefit and contribute to the development of the entire Baltic Sea Region, while also counteracting the brain drain and social dumping.
4. Highlighting the need for the further promotion of the development of cooperation structures.
5. Underlining the need to support projects promoting cross-border training.
6. Establishing one-stop information centres and setting up an open-access website.

Recognising the barriers attributable to multiculturalism and the nature of the maritime tourism sector, one needs to ask whether this sector has the potential of becoming a vehicle for the economic growth in the Region. Can it contribute to streamlining employment policies and promoting labour-force mobility in the region without causing harm and in a way that is beneficial to all?

The tourism industry typically comprises a large proportion of small enterprises, which are being increasingly seen as the driving force behind the economic growth of a given region. However, this multitude of small companies operating in tourism reduces labour mobility within this sector. What can foster mobility and more rational employment policies is the creation of networks of cooperation that bring together tourist companies from different regions which have shared growth objectives. These cooperation networks may be the right solution to rationalising the labour market within the South Baltic maritime tourism. However, it can be hampered by mental barriers, no tradition of cooperation, and the reluctance to recognise its importance. Moreover, cooperation requires the establishment of appropriate organisational structures, which is not an easy thing to do for medium-sized, small and mini-enterprises, i.e. those most affected by the economic situation. Also, there is no tradition of engaging in cooperation and no awareness of the benefits it entails. Every company offering similar services is perceived as a competitor. There is the lack of the notion of “the competitors’ alliance” and the understanding of the advantages brought about by cooperation, whether through sharing experience, good practices or joint ventures, vocational training and internships, or promoting foreign-language learning.

Conclusions

1. The "tourism industry" is a growing component in the world's economy, in terms of both income and the jobs it creates.
2. Competition on the individual tourism markets is growing.
3. In order to be successful in selling a tourist product, it is increasingly important to focus on marketing and promotion, as opposed to its qualities, management, and services needed to produce it.
4. Despite the growing globalisation, cultural diversity does not change, with the cultural context becoming an inherent and essential element of tourist services, qualities, and sites.
5. The signature feature of the modern-day tourism market is the sudden growth in international tourist traffic against domestic tourism, and also the growing income of businesses whose activities are related to tourism, e.g. airlines, hotels, cultural organisations.
6. The Baltic Sea Region has immense potential for developing maritime tourism and becoming its showcase.
7. Maritime tourism involves engaging in marine travels by various means of transport. Therefore, it comprises the following segments:
   - seagoing travel
   - ferry travel
   - sea sailing
   - passenger inshore navigation

   The volume of ferry traffic has major implications for the way the tourist infrastructure functions.

8. The Baltic Sea is one of the major bodies of water with well-developed ferry navigation. Accounting for 62% of the passenger traffic and approx. 76% of the car freight shipping, the ferry market plays a predominant role. Over the last 5 years, a clear decline has been observed on this market, which is on the one hand attributable to the adverse market environment and on the other by the growth in passenger transport within other bodies of water. The second-largest market is the market of the Eastern Baltic, which makes up ca.

30% of passenger traffic. The Central Baltic market accounts for ca. 6% of passenger transport.

9. The Baltic Sea makes up the largest segment of the North-European cruising market. In the years 2000-2011, the number of passengers in the region grew by 12.8%. In 2011, the Baltic ports catered for a total of 3.6 million people using cruisers.
10. Mobility is the number-one challenge for tourism within the South Baltic.
11. In order to make use of the existing tourist potential, it is essential to engage in cross-sectoral cooperation, pursue reasonable Local-Government policies and foster the managerial skills of the tourist businesses' personnel. The labour market will be shaped by ever-growing flexibility.
12. With the increasing competition between cities, and also their role as hubs of tourist services, tourist issues have been recognised in local and regional development strategies accentuating the following areas: the optimisation of the potential for sustainable tourism, the development of network-based cooperation, tourist clusters, marketing and educational institutions in the field of tourism.
13. One way to make cities and regions more competitive is to work on the image and reputation of the destination based on the facts. A development strategy should be in place and actively carried out.
15. Marketing communications replaced marketing (In the 1980s, to underline the fact that what we are dealing with is a process of mutual relations between the sender and the receiver).
16. One of the ways towards integrated urban development and the growth of competition is through network cooperation in the form of cluster initiatives and clusters established by vertically and horizontally linked trade partners in a given sector in a given region.
17. The tourist economy is largely based on services. The labour demand in the above-presented sectors of this industry is susceptible to high fluctuation.
18. Employers require the following professional competences:
    - personal skills – employers require, most of all, integrity (honesty), diligence, self-reliance, creativity, and collaborative skills
    - key competences – these are, most importantly, personal culture, competence in IT systems, the ability to gain general and segment-specific knowledge of the industry

- professional qualifications – language competence is the most important qualification in the maritime-tourism sector, where English competence is considered the basic precondition, with Swedish and German being desirable (market segmentation). Education in the given field (hospitality, catering, regional history, etc.) and professional experience are essential requirements as well.

Recommendations

- strengthening cooperation with the South Baltic Region states in promoting maritime tourism, most importantly in the area of cruise tourism and sea sailing
- building an attractive image of the regions as desirable water-tourism destinations
- developing joint quality maritime tourism products
- developing connections between the tourist areas of the South Baltic Region and their integration with tourist areas in Europe.
- sharing good practices between businesses, labour-market institutions, and tourist organisations
- developing information on the actions pursued on the labour markets of the South Baltic Region and also the conditions applicable there, and ensuring access to this information.
- promoting the cooperation of universities and research institutions from the South Baltic Region in cooperation

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