Destination Management and the establishment of Destination Management Organization: Case study of Thessaloniki, Greece

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I hereby declare that the work submitted is mine and that where I have made use of another’s work, I have attributed the source(s) according to the Regulations set in the Student's Handbook.

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ABSTRACT
Tourism is one of the largest industries globally with continuous growth. While more and more destinations emerge, the need for organized management approach and the establishment of strong collaborations amongst destination’s stakeholders becomes significant. Since the nature of a destination is characterized by complexity, the management of a destination is an equally complex process. Destination Management Organizations have the leading role of coordinating the various stakeholders under a coherent strategy; to do so, they need to identify each stakeholder’s type and address them accordingly. Moreover urban, and especially city break tourism gains popularity over time. However, the management of urban tourism destinations is a diverse topic and very challenging in terms of making consistent tourism planning.

The present dissertation attempts to investigate the destination management for the case of Thessaloniki, Greece. As the second largest city in the country, Thessaloniki has developed its tourism activities over the years, being promoted as a city break destination. Although there is, a wide variety of stakeholders involved in the city’s tourism, there is no clear image regarding the management. The stakeholders don’t seem to have any major differences considering their perception of the city’s image. However there is an evident lack of cooperation amongst them. Consequently, there are many individual efforts for the city, but they are not made under a consistent strategy. Thessaloniki’s Tourism Organization, which is responsible for the coordination of stakeholders’ and the marketing strategy of the city, re-operates after some years of inactivity; although it hasn’t fully undertaken all of its responsibilities, yet. Due to TTO’s inactivity other organizations, such as Municipality of Thessaloniki and Thessaloniki’s Hotel Association, seem to undertake the DMO’s role the last years.

The majority of interviewees would be positive to participate and support the establishment of a DMO in the city, if it was a private-public structured Organization. Also, they pointed out some potential barriers mostly referring to the public side of the DMO.

Concluding, even though there is no consistent strategy for the city to be followed by any tourism related stakeholder, TTO has to widen its responsibilities and take over the coordinating role, in order to cover destination’s lacks, ensure a more consistent image of the city and make it a competitive tourism product.

Keywords: Destination, Management, Thessaloniki, Destination Management Organization
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ABBREVIATIONS
ARR: Average Room Rate
BN: Billion
GDP: Gross Domestic Product
GNTO: Greek National Tourism Organization
GRI: Global Review Index
HHA: Halkidiki Hotel Association
HTO: Halkidiki Tourism Organization
LLC: Low Cost Carrier
MICE: Meetings Incentives Conference Exhibition
MLN: Million
NTO: National Tourism Organization
RevPAR: Revenue per Available Room
RTO: Regional Tourism Organization
SETE: Greek Tourism Confederation
TALC: Tourism Area Life Cycle
TCB: Thessaloniki Convention Bureau
THA: Thessaloniki Hotel Association
TTO: Thessaloniki Tourism Organization
UNWTO: United Nations World Tourism Organization
INTRODUCTION

Over the past years, despite wars, natural disasters, political and economic turmoil, tourism has become one of the fastest growing economic sectors globally. In 2014, international tourists’ arrivals reached 1.133 million, while global tourism receipts reached US$ 1.245 billion worldwide. The long-term outlook according to UNWTO indicates that international tourists’ arrivals will reach 1.8 billion by 2030. It becomes evident that tourism overcame occasional shocks and shows uninterrupted growth. (UNWTO, 2015; Bonham & Mak, 2014)

These dynamics have turned tourism into a key driver for socio-economic progress. From construction to agriculture or telecommunications, there are many sectors which actually have economic and employment side-benefits from the continuous growth of tourism in industrialized and developed states. (UNWTO, 2015)

Additionally to the traditional destinations of Europe and North America, there are many emerging destinations which have invested and made tourism a key driver of their progress in terms of its social and economic influence (e.g. employment, export revenues, infrastructure development etc.). Emerging economies had a significant increase in their market share; from 30% in 1980 to 45% in 2014 while forecasts for 2030 show about 57% increase. Hence, diversification and competition among destinations have started to increase. (UNWTO, 2015)

Tourism destinations are perceived as complex systems which are difficult to manage (Fyall, 2011 as cited in Boes et al., 2015). Moreover they are structured with a demand and a supply side; whether a destination will be successful or not, it depends on the development of its critical resources. In order to ensure the success of a tourism destination, it is important to take into consideration human resources, innovation and collaboration on a local and regional level. (Ritchie & Crouch, 2005 as cited in Boes et al., 2015) Destination management plays a key role in addressing the many and sometimes conflicting issues that arise in contemporary tourism. The complications regarding destination’s management are caused by the interdependence of various stakeholders and industries. (Boes, Buhalis & Inversini, 2015; Presenza, Richie & Sheehan, 2005)

Through literature review, various organizations could be found described by the acronym DMO; based on its functions a DMO could be destination management organization, destination marketing organization or destination marketing and management organization. Even though such organizations had typically carried out marketing activities, their role became wider in terms of strategic leader in destination development. (Pearce, 2015; UNWTO, 2007)

The present dissertation approaches DMOs as Destination Management Organizations that have the role to improve the development and management of tourism processes by enhancing coordination and collaboration among the wide variety of stakeholders. (Dwyer & Kim, 2003 as cited in Angella, 2010)

As stressed above, the tourism industry can have a significant impact on a destination’s development. This is something that is applied also in Greece’s case. In 2014, the contribution of tourism activities to country’s GDP was 17.3%, international
tourism arrivals reached 22 mln and international tourism receipts reached 13bn €. (WTTC, 2015)

Among the major destinations in the country, the fact that Thessaloniki is the second largest city of Greece plays an important role with considerable financial, commercial and industrial activities. Thessaloniki as a tourism destination has many key characteristics while it is promoted as a city break.

There are various stakeholders’ regarding the city’s tourism activities, and each one has different interests, perspective and impact on Thessaloniki’s tourism. However, the city doesn’t seem to have a coherent strategy for tourism; occasionally some organizations and authorities contribute to Thessaloniki’s tourism mostly in terms of marketing and promotion. In 2005, Thessaloniki’s Tourism Organization (TTO) was established in the city, aiming to develop and manage its promotional and marketing tourism activities. However, TTO ceased operations in 2013 and was re-established few months ago.

The present dissertation focuses on destination management and makes a reality check considering Thessaloniki’s stakeholders. More particularly, it attempts to identify the city’s major stakeholders and their perceived image of the city; its basic elements, strengths and weaknesses. Furthermore, the research investigates stakeholders’ perception regarding their contribution to Thessaloniki’s tourism, as well as their attitude towards a Destination Management Organization in the city.

Finally, the potential structure of a local DMO and each stakeholder’s perceived barriers for its operation are also analyzed.
1. Tourism: Definitions, Background and Rationale

The tourism sector is characterized as one of the largest and fastest growing sectors on a global level. The past sixty years, despite some occasional shocks, it has experienced a continuous growth and diversification; international tourists’ arrivals had a significant increase from 25 million globally in 1950 to 1133 million in 2014. A great number of emerging destinations, in addition to the traditional, have turned tourism as key-driver to their social and economic progress (i.e. jobs, enterprises, export revenues, infrastructure development). (UNWTO, 2015) According to the UNWTO is defined as:

“A social, cultural and economic phenomenon which entails the movement of people to countries or places outside their usual environment for personal or business/professional purposes. These people are called visitors…and tourism as to do with their activities, some of which imply tourism expenditure”. (UNWTO, 2008)

To have a better understanding of the tourism’s importance some key figure from the annual publication of UNWTO are described below.

![Fig. 1: Tourism – Key figures for 2014. Reprinted from: Tourism Highlights 2015 Edition UNWTO, 2015](image)

In 2014, tourism generated 9% of global GDP, direct, indirect and induced impact, represented 1 out of 11 jobs of global employment, and contributed with a 6% in the world’s exports.

Therefore, tourism has an impact on various factors; the economy, the environment (i.e. built and natural), the local population and the tourists themselves. This leads to a wide range of stakeholders involved or affected and to a variety of production factors required to produce goods and services for the visitors. Thus, tourism development, management and monitoring need to be addressed with a more holistic approach in order to manage those implications. (UNWTO, 2008)

Considering the industry’s structure, tourism governance is becoming highly decentralized in terms of the key stakeholders; they are more involved and engaged
Tourism is a highly competitive industry; hence it requires an organized management approach based on strong collaborations and a common vision for all the stakeholders. In order to manage effectively a destination, a strategic approach aligned with the destination’s vision is needed.

Regarding the market conditions in tourism industry, there are continuous changes in production and consumption patterns. As the competition becomes more intense, the need of promoting new destinations is growing. The quality standards are changing and, consequently, there are new marketing strategies to address them; information technologies gain more and more ground to that field.

### 1.1 Tourism Destination

The term can be succinctly defined as a geographic area that has administrative boundaries and attracts visitors. Despite that, there are many elements that need to be included in order to fully determine what tourism destination is. (Morrison, 2013)

The UNWTO provides a comprehensive definition and clarifies that: “A local tourism destination is a physical space in which a visitor spends at least one overnight. It includes tourism products such as support services and attractions, and tourism resources within one day’s return travel time. It has physical and administrative boundaries defining its management, images and perceptions defining its market competitiveness. Local tourism destinations incorporate various stakeholders often including a host community, and can nest and network to form larger destinations.”

Through literature review, various researchers’ attempts can be found where the term is described as: “a package of tourism facilities and services, which like any other consumer product, is composed of a number of multi-dimensional attributes” (Hu & Ritchie, as cited in Lazzeretti & Petrillo, 2006) or “as an amalgam of tourism product, offering an integrated experience to consumers” (Buhalis, 2000 as cited in Lazzeretti & Petrillo, 2006). However, an outlined definition of tourism destination is given by Pearce (1989, as cited in Lazzeretti & Petrillo, 2006) who clarifies that:

“A destination is an amalgam of products and services available in one location that can draw visitors from beyond its spatial confines.”

### 1.1.1 The Basic Elements of a Destination

Similarly to Dickman’s (1997) 5A’s of a destination (Attractions, Access, Accommodation, Amenities, and Activities), the UNWTO enhances the key characteristics of a tourism destination and concludes to the following six substantial elements (UNWTO, 2007):

1. **Attractions**: They could be separated in 3 categories: natural (i.e. beaches, mountains), built (i.e. monuments, religious buildings) or cultural (i.e. museum, theaters), and often is the initial motivation for the tourist to visit a destination. An attraction can belong to a public or private realm, as well. Intangible attractions, such as the uniqueness of a destination, are also of great importance.
2. **Amenities**: This includes the overall supporting services and facilities of a visitors’ stay. From the basic infrastructure (e.g. roads, utilities) to the direct services (e.g. accommodation, recreational facilities, catering and shopping facilities) amenities are fundamental for a visitors’ stay in a destination.

3. **Accessibility**: Besides its attractions and amenities, a destination should be easily accessible to a large population base via road, air passenger services, rail or cruise ships. Visitors should also be able to travel with relative ease within the destination. In addition to the aforementioned, there are other accessibility criteria such as visa requirements and any entry conditions to a country.

4. **Image**: This element is fundamental for attracting visitors and includes the uniqueness the destination, its scenes and sights, the environmental quality, destination’s safety standards and the friendliness of local people. It is not only crucial for a destination to have a wide variety of amenities and attractions but the potential tourists to be aware of them, as well. A destination’s image can be promoted through various means (e.g. marketing, branding, e-marketing etc.)

5. **Price**: Price could be considered as a competitive factor for a destination and determining for a potential tourist; whether to choose a specific destination instead of another. There are various pricing factors related to a destination such as, accommodation cost, cost of transportation to and from the destination, cost of food services etc. Also, other economic features such as currency exchange are taking into consideration from tourists.

6. **Human Resources**: Human resources are essential for two reasons: tourism is a labor intensive industry and host communities have a constant interaction with tourists; both of them are playing an important role to the overall tourism experience. In order to ensure a good tourism experience the personnel should be well-trained and the locals should be aware of the benefits and their responsibilities associated to tourism activities. The aforementioned need to be communicated and managed according to the destination’s strategic plan.

The destination brand includes a wide range of products, experiences and services; a combination of tangible and intangible elements. Also a destination could be characterized as the focal point in the development and delivery of tourism products and implementation of tourism policy, as well. (UNWTO, 2002)

### 1.1.2 Destination Life Cycle

The first model for Tourism Area Life Cycle (TALC) is been established in 1980 by Butler, and is still being cited and used in tourism research. Considering the dynamic nature of a destination, the TALC model describes the evolution of a tourist area from its discovery to its final stage. The curve that follows an S shape represents the number of visitors or tourists the destination receives. A key role in defining this curve and its upper limit has the carrying capacity concept; if the carrying capacity of the destination is exceeded then the relative appeal of the resort will decline and become less competitive. (Butler, 2011)
The curve is determined by the following stages (Towards sustainable tourism, n.d.):

1. **Exploration**: This is the first stage in which a small amount of tourists explore the area and there are few tourist facilities, as well.

2. **Involvement**: In the second stage more tourists arrive in the area while the local community starts providing some facilities for tourists.

3. **Development**: In this point the area is recognized as a tourism destination.

4. **Consolidation**: The facilities are fully utilized and the area continues to attract tourists; although the growth rate may be lower than before. In this point, probably there are some tensions regarding the loss of destination’s identity.

5. **Stagnation**: In this stage the number of tourists will decline. The offered facilities are becoming old and are underutilized.

6. **Rejuvenation**: After the stagnation stage, if new investments and modernization occur in the area, then the visitor numbers will increase while the overall area will be improved.

7. **Decline**: However, if the area doesn’t manage to rejuvenate then it will decline. Consequently, some of the businesses closures will raise the unemployment rates.

### 1.2 Managing a destination

As it is analyzed in 1.1.1 The Basic Elements of a Destination, each destination consists of some elements. Destination management is the coordinated management of all those elements and the strategic approach to connect them. Also it could be considered, the process that calls for the cooperation of many organizations and interests, working and aiming towards a common goal. (UNWTO, 2007)

As a formal structure, Destination Management Organization (DMO) has the *leading role* to coordinate the various stakeholders' activities in a consistent *strategy*, aiming towards the *same goal*. There are plenty of organizations and businesses oriented in tourism such as hotels, travel agencies, and tour operators, which are cooperating
with DMOs. Thus such organizations are the upper level process of coordinating and integrating the management of supply and demand, functions and resources. (Pearce, 2015) A DMO’s role is to develop and manage those partnerships in a way that will collect all the necessary resources and expertise from them; however it is not responsible for controlling each stakeholder’s activities. There are several types of DMOs, and are categorized depending on the geographic region (UNWTO, 2007):

- **National Tourism Authorities (NTAs) or Organizations (NTOs),** responsible for management and marketing of tourism at a national level.
- **Regional, provincial or state DMOs (RTOs),** responsible for management and marketing of tourism in a geographic region defined for that purpose (e.g. country, state, province).
- **Local DMOs,** responsible for a smaller geographic area or city/town. This form of local level DMOs usually operates tourism information office, frequently with a retail shop.

There are some cases that a number of DMOs covers a destination, thus there should be a cooperative character amongst them, in order to share the necessary information for the different audiences. It is essential for a DMO to meet the needs of the destination by all means; stakeholders’ coordination, destination’s marketing, business climate, human resources development etc.

In order to avoid duplication as far as promotion, visitor services, training, business support and identification of management gaps is concerned, joined up management is needed. Thus, the governance of destination management could take many forms; a department of single public authority or a partnership of public authorities, a combination of private and public sector with the latter to outsourcing delivery to private companies, public-private partnership for certain functions often in the form of a nonprofit company etc. (UNWTO, 2007)

Based on a survey conducted by UNWTO, 2010 (as cited in Morrison, 2013) considering the destination governance, it seems that there is a shift from the traditional public-oriented model to a more corporate one; public-private partnerships have a leading role.

Destination management organizations came into being because of the need to mount a coordinated effort for planning, developing and marketing tourism destinations. Amongst the various roles a DMO can take, the UNWTO in its publication points out the following four (as cited in Morrison, 2013):

- **Leading and coordinating:** A DMO is considered the focal organization and is responsible for the appropriate use of destination’s elements. Thus, it should be leading and coordinating all the stakeholders’ tourism activities within the destination.
- **Marketing:** All the marketing efforts a DMO should make in order to attract visitors to the destination. Destination’s promotion, unbiased information services, operation and facilitation of bookings, Customer Relationship Services (CRM) are within the marketing context.
• **Creating a suitable environment:** On the one hand, a suitable environment for a destination can be created by a number of policies, regulations and legislation which are essential for guiding and controlling the tourism activities. From the other hand, a suitable environment can be created in terms of infrastructure, human resources, technology development and related industries procurement.

• **Delivering on the ground:** Includes all the actions for managing the quality of the tourism experience, personnel’s training and education. This indicates that all the “promises” that the DMO made through its marketing campaign, they should be delivered to tourists, who should get the experience they were promised.

### 1.2.1 DMO versus DMO

According to literature review related to DMO’s functions there are issues revolved around whether the term DMO refers to *destination marketing organizations*, to *destination management organizations*, to *destination marketing and management organizations* or to some other *related organizations*. Thus it should be examined in what extent the title reflects the basic functions which are undertaken by the organization. (Pearce, 2015)

In view of the core functions of a DMO, although they vary from study to study in terms of their number and type, the following are met most frequently (Pearce, 2015):

- Destination marketing, positioning and branding
- Relationship building/coordination/facilitation
- Product development/development activities
- Destination planning, strategy formulation, monitoring and evaluation
- Resource stewardship and environmental management

However, those functions are based on a more normative approach; studies mostly indicate the functions that should be undertaken and not those that actually being carried out in a destination.

On the contrary to the core destination management literature, stands a worth mentioning perspective which comes from Pike and Page (as cited in Pearce, 2015) who argue that it’s unhelpful to use the term Destination Management Organization as generic descriptor because it confuses the perceived need for management with the largely marketing function it actually undertakes. Thus, they address destination marketing separately from destination management; not as one of its components. (Pearce, 2015)

Consequently, there might be some functions which are viewed as necessary for a destination’s management but they are not carried out by a destination marketing/management organization. Also, the critical role of local government should be taken into consideration since it is related to functions such as spatial planning, policy making, provision of infrastructure and utilities and management of public assets. (Pearce, 2015)
1.2.2 Stakeholders’ management

One of the leading roles of a DMO is to coordinate the various, sometimes even conflicting, interests of stakeholders in order to assure the tourists' satisfaction and positive experience. Although some of them are directly while others are indirectly affected by tourism, the DMO should be aware of all these stakeholders since each one contributes in some way to the success of tourism within the destination. (Morrison, 2013) As it is argued by Morrison, (2013) there are five main groups of stakeholders in destination management:

- **Tourists**: Leisure, Business etc.
- **Tourism sector organizations**: Hospitality, DMOs, Transport etc.
- **Community**: Resident associations, Business associations etc.
- **Environment**: NGOs, Environmental agencies etc.
- **Government**: National, Regional, State etc.

The stakeholders’ management should not have a strictly controlling nature; on the contrary it should emphasize on stakeholders' needs and interests. (Epp, 2013) Since every stakeholder is different, consequently the stakeholder theory “does not imply that all stakeholders... should be equally involved in all processes and decisions”. (Donaldson & Presot, 1995 as cited in Epp, 2013) Thus, depending on each stakeholder’s involvement with the DMO, the list rang from those who don’t have any participation to those who even have authority over an issue. Pretty et al (as cited in Epp, 2013) suggest a typology for the stakeholders’ participation as they are described in the Table 1 below.

Table 1: Typology of stakeholders’ participation

<table>
<thead>
<tr>
<th>Typology</th>
<th>Characteristics of each type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Passive participation</td>
<td>• People participate by being told what has been decided or has already happened.</td>
</tr>
<tr>
<td></td>
<td>• The information being shared belongs only to external professionals.</td>
</tr>
<tr>
<td>Participation by consultation</td>
<td>• People participate by being consulted or by answering questions.</td>
</tr>
<tr>
<td></td>
<td>• Process does not concede any share in decision making and professionals are under no obligation to take on board people's views.</td>
</tr>
<tr>
<td>Bought Participation</td>
<td>• People participate in return for food, cash or other material incentives.</td>
</tr>
<tr>
<td></td>
<td>• Local people have no stake in prolonging technologies or practices when the incentives end.</td>
</tr>
<tr>
<td>Functional participation</td>
<td>• Participation seen by external agencies as a mean to achieve their goals, especially reduced costs.</td>
</tr>
<tr>
<td></td>
<td>• People participate by forming groups to meet predetermined objectives</td>
</tr>
<tr>
<td>Interactive participation</td>
<td>• People participate in joint analysis, development of action plans and formation or strengthening of local groups or institutions</td>
</tr>
<tr>
<td></td>
<td>• Learning methodologies used to seek multiple perspectives and groups determine how available resources are used.</td>
</tr>
<tr>
<td>Self-mobilisation and connectedness</td>
<td>• People participate by taking initiatives independently of external institutions to change systems.</td>
</tr>
<tr>
<td></td>
<td>• They develop contacts with external institutions for resources and technical advice they need, but retain control over resource use.</td>
</tr>
</tbody>
</table>

Adapted from: Assessing the impact of stakeholder engagement on perceptions of DMO performance. Epp, 2013
The process of identifying the various stakeholders’ and their engagement to the organization helps the decision makers to adopt appropriate strategies for each stakeholder and manage them effectively. Each stakeholder’s group needs a different management technique, depending on its potentials for cooperation or threatening. (Epp, 2013)

However, according to a research, there were gaps while applying the above model to a DMO (Sheehan and Ritchie, 2005 as cited in Epp, 2013). Ford et al provide some practical examples on how to address those gaps and how the DMO could be engaged with each stakeholder’s group.

Table 2: Management Strategies by Stakeholder Category

<table>
<thead>
<tr>
<th>Stakeholder Type</th>
<th>Examples of how DMO can cultivate participation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Critical friends</td>
<td>DMO governance&lt;br&gt;Ongoing communication and regular, scheduled meetings&lt;br&gt;Provide data-driven evidence&lt;br&gt;Invoke to participate in community events and tradeshows</td>
</tr>
<tr>
<td>Weak friends</td>
<td>Program participation (eg. web or print listings, brochures racking)&lt;br&gt;Regular email communication&lt;br&gt;Consultation and input requested</td>
</tr>
<tr>
<td>Quiet competitors</td>
<td>Communicate how missions may overlap&lt;br&gt;Invite to meetings&lt;br&gt;Extend support</td>
</tr>
<tr>
<td>Indifferents</td>
<td>Extend support&lt;br&gt;Include when a win-win possible</td>
</tr>
<tr>
<td>Aggressive competitors</td>
<td>Illustrate how DMO contributes to community&lt;br&gt;Develop reciprocal paths of involvement to intertwine missions&lt;br&gt;Find and demonstrate linkages or win-wins</td>
</tr>
<tr>
<td>Envious</td>
<td>Offer help&lt;br&gt;Demonstrate linkages</td>
</tr>
</tbody>
</table>

Adapted from: Assessing the impact of stakeholder engagement on perceptions of DMO performance. Epp, 2013

1.3 Urban tourism  
As the tourism industry is rapidly growing on a global level, cities are becoming more popular tourism destinations. The constant changes in societies led to constant changes in cities which are facing a two way challenge. Firstly as a destination the city should be able to manage the amount of tourists and meet their expectations. Besides that, it is important to protect the local community and ensure that all the
tourism activities will be beneficial for the urban environment. The term urban tourism it simply indicates the tourism in urban areas. A more comprehensive definition is given by UNWTO which describes urban tourism as:

“Trips taken by travelers to cities or places of high population density. The duration of these trips is usually short (one to three days) therefore it can be said that urban tourism is closely linked to the short – breaks market” (UNWTO, 2012)

Although urban tourism is one of the most important forms of tourism on a world-wide basis, it has not received the appropriate amount of attention from tourism researchers. The term itself is relatively new but considering urban tourism’s origins, there were several trips in ancient times between Greek cities and various shores of the Mediterranean Sea (Pădurean, 2006 as cited in Garbea, 2013). It is worth to mention that while other forms of tourism had a significant growth during the 60s and 70s, urban forms of tourism developed more during the 80s; a time period that cities became clearly tourism destinations. (Garbea, 2013)

There is not a standard minimum size for a place in order to be categorized as urban; it varies from one study to another. Usually there are settlements regarding the size in terms of population, economic complexity etc. (e.g. a town of thousands residences has very little in common with a big metropolitan area). (Law, 2002)

Urban development is deeply related to tourism activities; not only because they provide a competitive tourism product for the tourists but also a way to develop the city itself with better infrastructures. (UNWTO, 2012)

Commonly, the tourists with urban origins are those who are attracted to urban tourism. Additionally, they choose a city sized similar to their residence and tend to make comparisons amongst them. (Simon, Tătaru et al, 2009 as cited in Garbea, 2013)

A key characteristic of urban tourism is that tourists use intensively a wide range of the city’s facilities and services; however few of those facilities were created exclusively for tourism activities. Also, the cities whose economies are based on tourism are usually those who benefit the least. On the other hand, cities that are based on various economic activities, receive greater economic benefits from tourism; even though they are least dependent on it. (Ashworth et al, 2011)

There are various elements that exist in a city and they could be categorized to primary and secondary. Primary elements are mostly those who draw the tourists to visit the city; a mixture of attractions which initially motivated the tourist. Such elements are cultural and historical facilities, places of amusement, physical, social and cultural characteristics (i.e. museums, theaters, ports, parks etc.).

Regarding the secondary elements, there are urban supporting facilities that have a complementary character to the tourism experience. However their contribution is essential to the delivery of the overall tourism product. Hotels, restaurants, transport facilities are some examples of secondary elements. (Garbea, 2013)
Considering the management of urban tourism is clearly a broad and diverse topic due to the wide range of tourism forms and tourists; the urban tourism management is merging into a wider urban management. However it is difficult to have a formal urban tourism planning in the same level as from other sectors (e.g. transport, housing). There are plenty of both public and semi-public agencies engaged with tourism in the city, and this very multiplicity makes opposing a number of difficulties to make a coherent urban tourism planning and management. (Ashworth et al, 2011)

More specific, the planning of tourism services it is handled by urban planners, while urban heritage is potentially handled by cultural agencies. Hence, it could be concluded that urban tourism is planned and managed by everyone and no one. (Ashworth et al, 2011)

1.3.1 City break tourism

While urban tourism in general started to receive an increasing attention from academic researchers the last twenty years, the research with regard to city break forms of tourism is very limited. This different type of holiday can be succinctly defined as: “A short package holiday to a major urban destination, typically including hotel accommodations and, often transportation.” (www.travel-industry-dictionary.com)

In addition to the aforementioned definition Trew and Cockerell, describe city break tourism as, “a short leisure trip to one city or town, with no overnight stay at any other destination during the trip” (as cited in Dunne et al., 2010). Both definitions are clearly stating that the nature of this trip includes only cities. This highlighted characteristic is helpful and provides an insight on the visitors’ segmentation. Market segmentation for the potential visitors could be very effective especially for the corresponding DMOs. (Dunne et al, 2010)

Recently the city break destinations in Europe have gained a great amount of popularity. This rising recognition can be attributed to several factors. One of the major contributors is the low cost carriers, which have significantly increased their availability and provide a short haul flight length. Due to this fact, it’s easier to access many destinations at lower cost. Another significant factor is a trend in the European countries, to take more often but shorter holidays. The overall number of trips per market continues to increase because many people choose to make two or more trips per year instead, or in addition, to their main holidays. (Dunne et al, 2010)

Additionally, the growing popularity is related to the different perception people have about cities as tourism destinations. The urban area is not just a transit point (e.g. entry or exit to another destination) but constitutes a destination by itself. Furthermore, the contribution of the internet and its influence on the process of travel decisions was essential to the growth of city break tourism; a great amount of information and online bookings and reservations are easily accessible to the potential tourists. Last but not least, the nature of city break trips has a reduced risk in terms of online booking (the vast majority of those trips include the transport and the accommodation). (Dunne et al, 2010)
As it is mentioned above, urban tourism is a major contributor to the urban development. Similarly, the city break form of tourism has contributed to the regeneration of several European cities by making them more popular as destinations, while the Europe’s market share in global tourism was decreasing. It has also given rise to a number of ‘new’ city destinations that have emerged in response to the enthusiastic demand for additional city break locations. (Dunne et al, 2010)

This form of tourism is also beneficial for the tourism activities of the cities themselves. For example, the tendency of city break tourists to book their accommodation at weekends is convenient for the accommodation suppliers due to the fact that the working weekdays they receive business travelers. Also since tourism is an industry with intense seasonality, the year-round activity of city break tourists, is extremely positive. (Dunne et al, 2010)

Although the city break tourism has been welcomed by many urban tourism destinations, some have expressed various concerns and criticism for its effects. One major concern is related to the tourists that a city break destination attracts. Especially in the cases that low cost carriers are involved, the host communities are concerned that there will be a great flow of low income tourists to their traditional luxurious resort town (e.g. London to Deauville in Normandy). Another, equally important concern is the impact of city break tourism on rural and regional tourism; and the question of whether the city destinations are taking potential tourists from rural areas.

Concerns also have been raised from an environmental point of view. On a global level, airlines in general, including low cost airlines, have a considerable contribution to carbon emissions; an issue which links city break tourism with the green issue. With the city break tourism being disapproved by environmental lobby, green taxes imposed to the transport sector and people becoming more and more aware of their carbon footprint, the future demand for city break tourism may be affected. (Dunne et al., 2010)

1.3.2 Elements of city break trips

There are several distinctive elements of city break trips which can be categorized according to their duration, distance, date flexibility, discretionary nature and destination travel party (5Ds). Each one of the 5Ds is described below (Dunne et al, 2010):

- **Duration**: as the term itself suggests, duration is referring to the length of the trip. Usually, city break trips involve short stay, consisted of three night accommodation or fewer. The difference between city break’s trip duration and leisure’s trip duration is clearly noticeable. However, it would be wrong to assume that this applies to all city break travelers. There are three main reasons for the trips’ short duration. Firstly for the majority of tourists, city break is a complementary trip to their main holidays. Secondly, the tourists are able to complete their tourism experience in a few days’ duration; amenities and attractions are located closely. Finally, as it is already
mentioned above, the international trend for shorter and frequent trips has contributed to the city break tourism.

- **Distance**: Regarding the distance, potential tourists are willing to travel; most of the times is short due to the tourists' tendency to come from nearby markets. For example in Dublin the city break tourists are approximately 80% originated from Britain. In general, this trend for urban forms of tourism, applies to many European countries. Decisive factor in short distance destinations is the limited duration of the trip; avoid time loss from getting to and from the destination. Also, the non-expensive, frequent access with low cost airlines to a wide range of airports in closely situated countries, has significantly contributed to city break trips.

- **Discretionary nature**: The findings from a research considering the understanding of city break tourism showed that the majority of the tourists choose to take the city break trip additionally to their main holidays. Thus the discretion element is a part of the city break tourism. Many urban trips are complementary for instance, to the traditional summer holidays (which usually have longer duration). It is worth to mention that amongst the findings of the research, the decision process for the city break trip was less than four weeks for the majority of respondents. That indicates, city break tourism could be noted as “the increasing popularity of last minute purchases of tourism products” (Swarbrooke & Horner, 2007 as cited in Dunne et al, 2010)

- **Date flexibility**: The date flexibility is related to the lack of demand’s seasonality in city break trips. More specific, for city break tourists, the weather conditions have a relative minor role. In addition a city break trip could be centered on other events (i.e. concerts, sports, exhibitions). Thus those trips by having a secondary nature are commonly taken in off-peak periods; the feature of date flexibility, contributes to all year round tourism activities for the city.

- **Destination travel party**: This last feature is referring to the composition of the tourists as traveling units. Based on a survey’s results, most people preferred to take the city break holidays either with friends or partners. On the contrary, the number of city break tourists who preferred to take the trip with their children was very small; the majority of urban tourists travel without children. As main factors for this travel composition are the ease on mobility and the flexibility with plans (i.e. not tied to school calendar). Also, some cities are perceived as child-unfriendly and hence city break trips are seen more adult focused.

### 1.4 Tourism in Greece

Although Greece is facing high uncertainty in terms of its economic and political environment, the country had a strong performance in 2014 and positive outcomes for the first months of 2015. (Dimitriadou & Kosma, 2015) Tourism industry is a major sector for the country’s economy and there are some key factors which determine that.

More specific, the total contribution of tourism and travel activities to country’s GDP was 17,3% in 2014 (i.e. 29,4bn EUR) while there is forecast to be increased by 3,7%
(i.e. approximately 30.48bn EUR) in 2015. It is worth to mention that foreign visitors have a larger portion of spending (57% of GDP). (WTTC, 2015)

Moreover tourism sector has a significant contribution to Greece's employment. Including the indirect jobs supported by the industry, the employment in travel and tourism industry (for 2014) is 19.4% of the country's total employment (i.e. 700,000 jobs) and it is estimated to be increased by 3.9% (i.e. 727,000 jobs) in 2015. (WTTC, 2015)
Also, a direct contribution of tourism activities are the visitors exports, in terms of the money they spent during their stay. In 2014, the foreign’ visitors exports were 12,2bn EUR and are forecast to have a constant increase until 2025. On the contrary it is pointed out that, the country’s capital investment in tourism is steadily decreasing from 2007 until 2014; however it is expected to rise the next years. (WTTC, 2015)

According to the “Travel & Tourism Competitiveness Report 2015” Greece’s competitive position comparing to other countries is ranked 31st out of 141; Greece was ranked 32nd in 2013. However there are several Mediterranean countries that improved significantly their rankings in 2015: Spain ranked 1st (4th in 2013), Italy ranked 8th (26th in 2013) and Portugal ranked 15th (20th in 2013). The rankings are based on numerous factors considering the destination’s tourism attractiveness. Some strong points that Greece has, regarding its competitive position in tourism are the air transport infrastructure, health and hygiene conditions, prioritization of travel and tourism and international openness. However, there are some difficult conditions in Greece regarding country’s business environment. Those factors are mostly referring to the unstable taxation, the legal framework and the obstacles in the issuance of construction permits. (Dimitriadou & Kosma, 2015)

Table 3: Travel & tourism competitiveness report

<table>
<thead>
<tr>
<th>Country</th>
<th>Total Ranking</th>
<th>Business Environment</th>
<th>Safety &amp; Security</th>
<th>Health &amp; Hygiene</th>
<th>Human Resources &amp; Labour Market</th>
<th>ICT Readiness</th>
<th>Prioritization of Travel &amp; Tourism</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spain</td>
<td>1</td>
<td>100</td>
<td>31</td>
<td>33</td>
<td>34</td>
<td>31</td>
<td>6</td>
</tr>
<tr>
<td>Italy</td>
<td>8</td>
<td>127</td>
<td>48</td>
<td>20</td>
<td>75</td>
<td>35</td>
<td>65</td>
</tr>
<tr>
<td>Portugal</td>
<td>15</td>
<td>58</td>
<td>10</td>
<td>35</td>
<td>18</td>
<td>40</td>
<td>18</td>
</tr>
<tr>
<td>Greece</td>
<td>32</td>
<td>104</td>
<td>57</td>
<td>9</td>
<td>45</td>
<td>49</td>
<td>24</td>
</tr>
<tr>
<td>Croatia</td>
<td>33</td>
<td>125</td>
<td>28</td>
<td>18</td>
<td>80</td>
<td>38</td>
<td>74</td>
</tr>
<tr>
<td>Cyprus</td>
<td>36</td>
<td>43</td>
<td>27</td>
<td>51</td>
<td>20</td>
<td>50</td>
<td>3</td>
</tr>
<tr>
<td>Turkey</td>
<td>44</td>
<td>59</td>
<td>121</td>
<td>63</td>
<td>88</td>
<td>68</td>
<td>83</td>
</tr>
<tr>
<td>Egypt</td>
<td>83</td>
<td>95</td>
<td>136</td>
<td>64</td>
<td>103</td>
<td>80</td>
<td>69</td>
</tr>
</tbody>
</table>


The adverse economic situation and the overall uncertainty in the country had negative impacts on the perceived safety and security of Greece. With regard to the ground and port infrastructure, Greece is far behind its competitors. Another unfavorable factor is that, although Greece has a variety of cultural resources, there is a lack of promotion and a difficulty in making them accessible. Finally, environmental sustainability, an increasingly important element of tourism attractiveness, has been overlooked in Greece contrary to most of its competitors. (Dimitriadou & Kosma, 2015)
1.5 The case of Thessaloniki

Thessaloniki, also known as Salonika, is the second largest city in Greece and one of the oldest in Europe. The city was founded in 315 BC by King Cassander of Macedonia and was originally named after Alexander’s the Great sister. It didn’t take long until Thessaloniki became a primary center and one of the most considerable cities during that era. The Byzantine Era was of great significance for the city since it was developed more and became bigger; churches and other buildings were made, as well as, defensive constructions. In 1403 Thessaloniki was occupied by the Ottomans.

The city’s strategic importance due to its established trade routes and its various trade and commercial activities made it once again, a major center during that area. The city faced its greatest disaster in 1917, because of a major fire which destroyed more than half of the city’s center. A few years later, Thessaloniki received a large amount of refugees due to the Asia Minor catastrophe in 1922, and the population exchange with Turkey which had also great economic and social impacts on the city. The destruction was followed by many side effects in the city’s activities in the following years. Thessaloniki was constructed and transformed in the 50’s and 60’s, to take the form it has today. (Thessaloniki: Brief History, n.d.)

Moreover the city’s nomination as Cultural Capital of Europe in 1997 and the fact that several of its monuments are included on the UNESCO World Heritage list, made the city even more popular. Various attributes of the city such as its universities and educational institutes, the international fair, the film festival, and many cultural activities all year round, were essential factors in Thessaloniki’s selection as European Youth Capital for 2014. (History of the city, n.d.)

1.5.1 Destination Thessaloniki

At the present time, Thessaloniki stands as a modern European city in the center of the Balkan countries, still having considerable financial, industrial and commercial activities. According to Hellenic Statistical Authority, the population of the city has been calculated to 325,182 residents (last census conducted in 2011) considering the municipality area, while the greater urban/metropolitan area of the city has more than 1 million. In order to have a better understanding of the city as tourism destination, it would be useful to present an analysis of its key characteristics.

Thessaloniki provides a combination of natural, built and cultural attractions. The city is coastal, thus its seafront offers a great view. Also, as a historical center has a variety of monuments and religious buildings (e.g. Rotunda, Arch of Galerius, White Tower, Roman Forum Mustafa Kemal Ataturk’s house etc.). Amongst its numerous museums Archeological Museum, Museum of Byzantine Culture, Museum of White Tower, Ataturk’s Museum and Jewish Museum stand out. (Arts & Culture, n.d.)

There are many interesting districts for a visitor to explore, as well. Starting from the city’s center (i.e. Aristotelous Square, Ancient Greek and Roman ruins of Forum, the street markets Kapani and Modiano, Upper Town, Ladadika etc.) followed by the east (i.e. Kalamaria) and the west districts (i.e. Stavroupoli)
Thessaloniki has plenty of tangible and intangible attractions. (Interesting Districts, n.d.)

Regarding the amenities provided, Thessaloniki has a wide range of recreational, food and accommodation options (as explained detailed in 1.5.1.1 Hotel Sector in Thessaloniki). It is worth to be mentioned that in 2015, Thessaloniki was voted 9th in the top 10 cities with the most vibrant nightlife on a global level. A great number of new restaurants made their entry in the city, which outstands for its gastronomy and has been on New York Times’ list “52 Places to Go in 2016”. (The New York Times, 2016) Also, Thessaloniki provides many shopping opportunities; its main shopping district in the city center and 4 shopping malls around the city. (Interesting Districts, n.d.; Nightlife Cities, n.d.)

![Facts about Thessaloniki](www.thessalonikiconventionbureau.gr/content/city-facts-figures)

The city is easily accessible in terms of transportation (i.e. “to” and “from” the city, inside the city). Thessaloniki’s International Airport “Makedonia”, the second biggest airport in Greece, connects the city with approximately 81 destinations from which, 35 are domestic. Makedonia airport enriches its network with new carriers and destinations. (Easy access, n.d.)
According to SETE, over the period January - November 2015, the tourists’ arrivals in Thessaloniki were estimated to 1,479,244 and no significant change has been noted with the corresponding 2014’s arrivals (i.e. 1,479,696). (SETE, 2015)

Figure 15: Non Residents Air Arrivals January-November. Reprinted from SETE Statistical Bulletin No.12 – December 2015

Also, the International Port of the city, which is one of the largest and busiest ports in South-Eastern Europe, has tourism (i.e. cruise ships) and commercial activities. The public transport of Thessaloniki includes several bus lines, which connect all areas to the city center. Additionally, there are taxi services provided for those who need to get somewhere faster. (Easy Access, n.d.)

About the passport and visa policy applied in Thessaloniki, since Greece is a Member-State of European Union and has ratified the Schengen Agreement, citizens who come from and travel inside E.U. just have to display their I.D. card. However, passport is needed in case of other transactions such as currency exchange. Visa is required for citizens who come from non Member-States of the Schengen Agreement; but there are some exceptions. (Easy Access, n.d.)

As it is stated by Thessaloniki’s Hotel Association, the city is “steadily gaining ground as a city break tourism destination” and draws domestic and international visitors during the last decade, especially from the neighboring Balkan countries.

Besides leisure-city break tourists, Thessaloniki benefits from the business segment, and also receives a major number of tourists before their transfer to Halkidiki. Target markets such as Balkans, the Middle East and Turkey can increase the tourists’ visitation to the city due to its historic and cultural background. (Papadimitriou & Verykios, 2014)

Even though we could not make an accurate calculation of the prices in Thessaloniki the exact moment, however according to some cost of living calculators the city has a medium ranking regarding the price index (i.e. indicator relative to consumer goods prices) which is calculated by assigning a value of 100 to a central reference city; 148 out of 240 in reference to Prague (accommodation expenses are included) (Cost of
Living Index - Expatistan, 2016) and 300 out of 498 in reference to New York (Cost of Living Index - Numbeo, 2016).

Considering the perceived image of the city, it would be helpful to examine the outcomes of a research, conducted on behalf of Thessaloniki’s Hotels Association over 2014. Amongst the most important factors for visitors to choose Thessaloniki as a tourism destination are the personality of the city, its gastronomic culture and the archaeological sites.

According to the respondents some of the distinctive strengths of the city are: the entertainment/leisure facilities, the city’s culture and the positive attitude of the local community. On the contrary, the perceived weak points are: noise pollution, air pollution, lack of cleanliness and lack of ‘green’ areas in the city. (GBR, 2015)

A remarkable positive outcome of the research was about visitors’ satisfaction. The overall assessment for the city gathered 8 points out of 10, while the vast majority of respondents (i.e. 91%) will recommend Thessaloniki as a destination to friends and relatives. Moreover it is noteworthy that most of the visitors had a better or much better experience than they expected before their departure. (GBR, 2015)

The main information resources for the tourists regarding their trip were various web sites (e.g. Trip Advisor, Visit Greece etc.) or social media, both to leisure and business travelers. In view of the booking process, 55% of the leisure segment chooses online booking, while the corresponding percentage for the business travelers is 42%.

1.5.1.1 Hotel Sector in Thessaloniki
Considering the hotel sector, Hellenic Chamber of Hotels follows a comprehensive system of hotels classifications in five major categories ranging from five to one-star properties. Thessaloniki concentrates approximately the 2% of the total hotel room supply in the country. The majority of hotels in Thessaloniki belong to the three stars and above categories representing approximately the 76% of total rooms in the city.

The hotel room supply in Thessaloniki is general evenly distributed with about 20% - 30% belonging in each classification with the largest amount belonging to the three-star category. The majority of the five star hotels are placed down town or on the city’s seaside promenade while there is a limited number of hotels located in the west and east outskirts. Four and three star hotel properties are also located in the city center with only a very limited number located in the eastern and western suburbs. (Papadimitriou & Verykios, 2014)
Thessaloniki follows a regular type of seasonality pattern for a city destination with September, October, November and December being the peak months (the data are referring to 2013).

Figure 6: Seasonality of demand in Thessaloniki, 2013. Reprinted from In Focus Thessaloniki, Greece (Papadimitriou & Verykios, 2014)

As detailed below there are some indicators that are referring to a hotel’s performance. The average occupancy, the average room rate (ARR) and the revenues per available room (RevPAR) are the three indicators which are taken into consideration in the following figures for Thessaloniki’s hotel supply. There is an improvement in RevPAR comparing the performance between 2013 and 2014. However the performance is obviously lower comparing to 2008 level.

Figure 7: RevPAR according to star classification 2007-2014 (calculated in €). Reprinted from Customer Satisfaction Survey, GBR Consulting, March 2015

Regarding the occupancy rates there was a notable increase in 2014 comparing to 2013; 8.9% in five star hotels, 13.3 in four star hotels and 13.1 in three star hotels. Also, an increase was noted in the Average Room Rate (ARR) indicator for the five and three-star hotels comparing to the 2013 rates.
However, the decrease is significant comparing to 2008 rates; 24.5%, 18.5% and 19.4% for the five, four and three-star hotels, respectively.

Figure 8: ARR according to star qualification 2007-2014 (calculated in €). Reprinted from Customer Satisfaction Survey, GBR Consulting, March 2015

There is no major change in the seasonality of Thessaloniki’s hotels occupancy during the period 2007-2014; the occupancy reaches the lowest levels usually in January and in August while the peak month is September. Nevertheless, it is worth to mention that in 2014 the occupancy was higher than expected for summer months, July and August.
As it is seen in the above figure the average room rate varies within low limits in 2014; with the only exception the last three months of the year that had a small improvement. Comparing to the previous years’ performance 2014 had one of the lowest ARR levels.

Regarding the seasonality of RevPAR it has an overall low range – especially comparing to the 2007-2009 period – with only exception the summer months July and August, due to the higher levels of occupancy, as it is mentioned above. The fact that RevPAR for 2014 doesn’t follow the increase of occupancy it’s due to the low rates of ARR. That indicates, that over 2014, even though occupancy rate reached high levels (i.e. almost 80% for the peak months), the corresponding average daily revenues were low, and consequently revenues per available room merely exceed 50€).

To make a more comprehensive analysis, below are representing some performance indicators from 11 European cities, including Thessaloniki.
The figure below describes the occupancy rate and allows making comparisons between them and Thessaloniki for the 2008 - 2014 time period.

Figure 12: Occupancy of selected European cities 2008-2014 (%). Adapted from Customer Satisfaction Survey, GBR Consulting, March 2015

Thessaloniki has low levels of occupancy comparing to the other European cities, with only exception Bratislava which has the lowest; similarly close to Thessaloniki is Bucarest. Instabul, Munich, Rome, Milan and Budapest hotels’ occupancy levels vary in relatively high levels. Also Athens has a significant decline in 2011-2012 however it seems that its occupancy levels are increasing for the 2013-2014 period.

In order to make a more comprehensive analysis, ARR and RevPAR indicators of other European cities can be examined. Regarding the ARR, Thessaloniki reaches low levels similar to Prague, Budapest and Bucarest. Other cities such as Salzburg, Istanbul, Athens, Rome and Milan have prominently a better performance.

Figure 13: ARR of selected European cities 2008-2014 (calculated in €). Adapted from Customer Satisfaction Survey, GBR Consulting, March 2015
Consequently, from 2011 until 2014, Thessaloniki has the second lowest RevPAR indicator comparing to other European cities; Bratislava has the lowest. Cities with better performance in RevPAR are: Istanbul, Rome, Milan, Athens and Salzburg.

1.5.2 A reality check in the management of Thessaloniki

It could be argued that there is an absence of consistent marketing strategy in Thessaloniki and the city lacks of an identity (e.g. the city's numerous names Salonika, Thessaloniki, Thessalonica etc.) Only the last few years, the official administrative authorities have brought tourism issues to the foreground and have managed to make preliminary progress following a steady plan. (Papadimitriou & Verykios, 2014)

As it is stated in Chapter 2.1, destination management is a coordinating process which involves various stakeholders. At this point it would be useful to cite a definition of Freeman (1984) who defines stakeholders as “any group or individual who can affect or is affected by the achievement of the organization objectives”. (as cited in Fontaine et al., 2006). Taking that into consideration, in the case of Thessaloniki we could identify the following stakeholders of the city regarding its tourism activities:

1. Thessaloniki’s Tourism Organization
2. Municipality of Thessaloniki
3. Regional Department of Tourism Ministry in Central Macedonia
4. Tourism Department of Region of Central Macedonia
5. Thessaloniki’s Hotel Association and Hoteliers
6. INSETE
7. Greek National Tourism Organization
8. Association of Travel Agencies of Macedonian and Thrace and Tour Operators
9. Makedonia Airport
10. Thessaloniki’s Convention Bureau
11. Educational Institutes
12. Museums and Archaeological sites
13. Local community
14. Tourists

Amongst the above stakeholders will be analyzed those who are perceived as more critical according to their influence and authorities related to Thessaloniki’s tourism activities. One of the major stakeholders is Thessaloniki’s Tourism Organization (TTO) which is a nonprofit organization for the tourism related, marketing and promotional activities of the city. The Organization’s activities were mainly focused on city’s branding campaign, management and distribution of promotional material (e.g. brochures, photographs etc.), provision of information to tourists, participation in exhibitions abroad, partnerships with air-carriers, familiarization trips for journalists etc. (www.tourismplus.travel) However, TTO closed in 2013 and restarted its operation in the summer of 2015. Currently, TTO operates a web site that provides information regarding Thessaloniki with a last update in 2012. The Organization doesn’t have any other internet presence (e.g. social media).

Moreover, under the Municipality’s authority operates the Tourism and International Relations Department which is also in charge of the tourism activities in the municipality of the city. Besides the basic information regarding tourism in Thessaloniki (e.g. history, culture, accommodation, art etc.) which is provided through the municipality’s web site it has an active internet presence through social media, as well.

However any promotional action that comes from public implementation bodies should be in accordance with the legal frame and be approved by the Greek Ministry of Tourism. In order to review better each region, the Ministry of Tourism has Regional Departments; Department of Central Macedonia is located in Thessaloniki. Also, Greek National Tourism Organization makes a triennial strategic promotion plan for the Greek tourism product (i.e. 2014-2016) which includes 9 different sectors such as cultural, seaside, business, city break etc. in order to promote effectively the various Greek destinations; Thessaloniki is included as a city break. GNTO has created a web site (i.e. www.visitgreece.com) which provides comprehensive information regarding Thessaloniki.

On the other hand, Marketing Greece, a non-profit, private initiative by SETE, created an interactive web platform (i.e. www.discovergreece.com) to promote Greek tourism destinations, including Thessaloniki (e.g. photos, videos, information etc.) and additionally provide booking options for hotels in the city. Marketing Greece operates under the frame of the national strategy of Greek tourism and supports GNTO and Ministry of Tourism to promote the Greek tourism product in target markets. The promotional actions are based on a comprehensive marketing plan for Central Macedonia, with emphasis on Thessaloniki, which has been conducted by SETE. (Marketing Greece Organization, n.d.)

Thessaloniki’s Hotels Association is a non-profit organization, and the oldest hotel association in Greece. It plays an important role in tourism activities of the city since it represents 80% of hotel beds in Regional Authority and is a founding member of TTO, Hellenic Hotels Federation and Thessaloniki Convention and Visitors Bureau.
Also, the Association contributes periodically by conducting surveys and researches, actively participates in exhibitions and organizes press trips. (Profile, n.d.)

Consequently, there are various stakeholders who contribute to Thessaloniki’s tourism but there is no coherent strategy to be followed by everyone; any cooperative actions among them may occur unofficially.

1.5.3 Competition in Europe: Other major destinations

In order to present some competitive cities to Thessaloniki, the Global Review Index was taken into consideration. The charts are based on ratings provided by 11,936 guests at Greek hotels and 68,857 guests at competing destinations, as derived from Review Pro's system; this is processed by SETE Intelligence for Greece and various Greek destinations for November, 2015. According to the aforementioned analysis, Thessaloniki is compared to Bologna, Izmir and Marseille.

![Figure 16: Global Review Index-Greece and Competitors for November 2015. Reprinted from: Review Pro Processing: SETE Intelligence as cited in SETE Statistical Bulletin-December 2015](image)

**Bologna, Italy**: As the capital of the Italian Region Emilia Romagna, is famous for its culture and for having the oldest University in Europe (i.e. founded in 1088). Also, its medieval city centre has been classified by UNESCO as the best preserved in Europe. Besides the traditional elements, Bologna is a modern European city that provides excellent services and infrastructure, while it’s a home to important economic and social organizations. (Members: Bologna Welcome, n.d.)

The city is accessible through air; short flights, less than 2:30 hours to major European destinations such as Brussels, Amsterdam, London etc. Bologna is also accessible by train, car and coach buses. (Members: Bologna Welcome, n.d.)

[27]
develop, manage and promote tourism in the city, Bologna has Bologna Welcome Srl. Under this frame, there are two offices operating to provide tourist information services where Municipality of Bologna is in charge of the institutional part, and Bologna Welcome Srl provides the incoming services. Both tourists and citizens can apply to the organization to get tourist information about Bologna and its area, from museums to events, and to pick up free tourist brochures. Amongst the various information a tourist can find, there are descriptions regarding the city’s nightlife, gastronomy, shopping, special offers for tours in the city and booking options for transportation and accommodation. Bologna Welcome not only welcomes tourists but offers tailor-made solutions for local and international operators, as well. Overall, has a strong and up-to-date internet presence through its web site and social media. (Bologna Welcome, n.d.)

Izmir, Turkey: Formerly the Greek city of Smyrna, Izmir, is the third largest city of Turkey and has the second largest port in the country; it has been a long-time center of commerce. Currently is an emerging alternative destination for travel in the west of the country. The city is distinctive due to its combination of Levantine, Greek, Armenian and Jewish heritage. Izmir is also developing a reputation for its cultural and civic activities (i.e. International Arts Festival, turning buildings into creative spaces etc.) (Izmir, n.d.)

The city has a fairly well developed transportation system and is accessible through air (i.e. Izmir Adnan Menderes Airport), sea and road. Izmir not only has a variety of historic and cultural landmarks but is famous for its cuisine and gastronomy, as well. (Attractions-Izmir, n.d.)

Moreover the city’s Municipality has a comprehensive strategic plan for Izmir, over the 2015-2019 period; the plan includes various sectors such as education, transportation, tourism, environmental management as well as stakeholders’ and SWOT analysis. (Strategic Plan, n.d.) The city is promoted through the Turkish Culture and Tourism Office (i.e. web site, social media). Additionally, information regarding Izmir is provided in Municipality’s site. (Izmir, n.d.)

Thessaloniki’s overall performance regarding GRI is 80% for 2015. Comparing the city on an international level it’s clear that Bologna takes the lead, while Thessaloniki and Izmir follows; Marseilles’ GRI has the lowest performance. (SETE, 2015) It could be argued that Bologna has a good performance because the destination’s tourism management is based on the active partnership of Bologna Welcome and the city’s Municipality. However, with regard to other domestic destinations Thessaloniki’s performance is the lowest; Athens has approximately 82% while Greece has approximately 85%.

1.6 Literature Review Summary
The first part of the dissertation is entirely theoretical and based on literature review. The dissertation analyzes the rationale regarding the tourism sector, the role of DMOs and their contribution, stakeholders’ theory for DMOs, as well as, urban and city-break forms of tourism, and more specific in the city of Thessaloniki, Greece. As the analysis becomes more oriented from general to specific subjects, the focus is on the tourism activities of Thessaloniki and the management of the destination.
1.7 Research questions
The present research aims to investigate the management of Thessaloniki as a tourism destination. In order to achieve that, there are particular issues that need to be addressed. Those issues are outlined through the following objectives:

- Identification of Thessaloniki's major stakeholders
- Stakeholders' perceived image of the city
- Stakeholders' attitude towards the establishment of a DMO in the city

Based on those objectives, there are raised various research questions:

1. Who is currently in charge of Thessaloniki’s tourism management?
2. In what degree the city’s stakeholders are cooperating?
3. What is the contribution of each stakeholder in Thessaloniki’s tourism activities?
4. Is there any gap in the perceived image/brand of the city among stakeholders?
5. How does this affect Thessaloniki’s image as tourism product?
6. What is the ideal perceived structure of a DMO for the city?
7. What are the perceived barriers for a DMO’s establishment in Thessaloniki?
2. Research Methodology

The literature review is followed by the primary research which is targeted at various stakeholders of Thessaloniki that affect, directly or indirectly, the destination. Thus, the approach of this study is a combination of primary and secondary data. Regarding the primary data, the collecting method is described below.

- Population: Organizations with direct or indirect effect to Thessaloniki’s tourism activities
- Sampling unit: An organization with direct or indirect impact to Thessaloniki’s tourism activities
- Area of conducted research: Municipality of Thessaloniki
- Time of conducted research: 20/12/2015 – 10/02/2016
- Sample size: 13 Organizations
- Gathering method of primary data: Personal individual interviews by using structured questionnaires
- Sampling method: Non random-selective respondents

In order to be able to generalize the findings of the present research, the chosen sample should meet two criteria; to be representative and to have a sufficient size and impact on tourism decision making. The sample should be representative of the population and contain similar proportions of subgroups, as well as, not exclude any particular group. Since the examined population constitutes of organizations related to Thessaloniki’s tourism activities, the sample includes hotels, the Municipality of Thessaloniki, tour operators, tourism education institutes, tourism organizations and Thessaloniki’s Hotel Association. Thus, the organizations represent public and private sector, small-medium and large businesses, profit and non-profit organizations, as well. The size of the sample is sufficient considering the time limitation of both interviewer and interviewees.

The present field research was conducted in Municipality of Thessaloniki from 20/12/2015 to 10/02/2016. The sampling unit was each organization that has direct or indirect impact on Thessaloniki’s tourism activities. The qualitative research was held with structured interviews, using guided questionnaires. Overall, 17 organizations were asked to take the interview, from which 13 finally answered. Each interview lasted approximately 20-30 minutes. All the respondents had an administrative or an executive position to the corresponding organizations.

Seven of the total interviews were personal, face-to-face, since it offers more quality, rich data in terms of non-verbal communication and accuracy in what actually has been said. However, due to time limitations of some interviewees, as well as location restrictions, four of the interviews were held via email and two via video call (Skype).

Each questionnaire had 9 questions; the first part (1-4) was regarding the perceived image of Thessaloniki while the second part (5-9) was considering the interviewees’ attitude towards the establishment of a DMO in the city. The primary data were collected and recorded mainly in audio format (i.e. personal and video call interviews) while the rest of the interviews were collected in written format as they were completed by the interviewees themselves; interviews’ content is available on textual form. (p. APPENDIX)
The collected data were organized according to the questions of the questionnaire and then they were assessed. Besides, the responses to the structured questions, some additional comments and clarifications from each respondent were included in the analysis, as well. Since the research was based on qualitative data, the analysis attempted to assess any similarities or differences among the responses and to make comparisons depending on which respondent came from. Also, in order to provide a clearer image regarding the findings, whenever it was possible, a categorization of interviewees' answers were made. That way, it was easier to measure the frequency of the responses. In order to perform this analysis, Excel's spreadsheets were used.

2.1 Research Limitations and Delimitations
The limitations of the present research were mostly considering time constraints which were faced from both interviewees and the interviewer's perspective. The research was conducted over a certain interval of time. During the data collection, 17 organizations were approached in order to participate in the research, however 13 of them finally respond. Potential respondents' denied due to time restriction; some of them assumed that the interview process would be long, while others had a very busy schedule which made it impossible to arrange the interview.

Also, because of the research’s qualitative character, results cannot be easily generalized to larger population; the nature of each stakeholder should be taken into consideration (e.g. tourists differ from local community).

Regarding the delimitations, that have been set, were regarding the population studied and the literature review. The dissertation examines stakeholders who have a direct or indirect impact on Thessaloniki’s tourism activities. However, residents-local community and tourists were excluded; especially for the latter there are many surveys conducted in the past.

Moreover, the literature review was focused on the management of a destination and didn’t include a comprehensive analysis regarding marketing or branding a destination.
3. Findings – Data Analysis

*Question 1: Thessaloniki is promoted as city break destination. Which are the city’s main characteristics to support that?*

The first question was regarding Thessaloniki as city break destination. The respondents were asked to state their perceived key characteristics of the city to support this claim.

![Figure 17: Thessaloniki's characteristics as city break destination](image)

Before proceeding to the chart’s analysis, it should be mentioned that all the characteristics given by the respondents were recorded, but since some of them appeared with lower frequency they were categorized as Other; this category includes Affordable, Safety, Hospitable Citizens, Seafront, and Academic community; the percentage is referring to the total number of respondents (i.e. 13). As seen in the chart above, two major characteristics stand out: Culture/History and Gastronomy, each one was selected by 85% of the total respondents, meaning that 10 out of 13 respondents mentioned it as key characteristic.

Furthermore, 8 out of the 13 respondents chose Entertainment and 7 out of 13 chose Accessibility/Connection; the first characteristic presents the 69% of the total responses while the second the 54%. More specific, the first contains references regarding entertainment, nightlife and leisure activities, while the latter contains mostly references considering airline connection and LLC, as well as, road, sea and rail transportation.
The Nearby Destinations was chosen by 5 out of 13 respondents and was selected by 38% of the total respondents while the Market/Shopping represents the 31%. Other characteristics such as Tourism Infrastructure (31%), Business/Convention Tourism (23%) and Easy-to-Walk (23%) are also some distinctive elements, as they’re perceived by the respondents.

**Question 2: What are the strengths/weaknesses of Thessaloniki as a destination (from a management perspective)?**

The second question was about the perceived strengths and weaknesses of Thessaloniki not only regarding its image but from a management perspective, as well. Some of the respondents considered as strong points the same characteristics they mentioned in Question 1, which were recorded as Thessaloniki’s strengths in the analysis of the present question. Also, the responses with low frequency are categorized as Other (i.e. Residents speak foreign languages, Exhibitions, Stakeholders’ intensive actions).

Taking those facts into consideration, the major strong point as perceived by the respondents is the city’s Gastronomy, presenting 9 out of 13 responses (i.e. 75%). Moreover, Culture/History and Entertainment stand out with 6 out of 13 responses (i.e.50%); Culture/History includes every response related to the culture, history, monuments, museums and archaeological sites in Thessaloniki while Entertainment includes all the entertainment, nightlife and generally leisure options in the city.

Friendliness of residents is another perceived strength of the city, with 4 out of 13 responses (i.e. 33%) while the Safety and the Seafront where chosen from 3 out of 13 respondents, respectively. Also, some respondents mentioned as a strong characteristic, that Thessaloniki is a Vibrant city (i.e. 25% of the respondents) mostly due to its student community and entertainment/nightlife options, its proximity to various Nearby Destinations (i.e. 25%) and the fact that it’s also Easy-to-Walk in terms of all the city’s landmarks proximity and the city’s size.

Other perceived city’s strengths are its Location, the fact that it’s Affordable and the Accessibility/Connection with other destinations. The responses regarding the latter strength were mostly referring to LCC and to air-connection with Turkey.

Besides the perceived strengths, interviewees were asked to mention their perceived weaknesses of Thessaloniki. In the view of the city’s image, many of the respondents (i.e. 42%) pointed out Cleanness as a one of the weakest points, followed by Transportation mostly inside the city; references were made to the lack of an alternative public transportation medium and the metro construction. Also, Tourism Infrastructure of the city was categorized as weak, by 2 out of 13 respondents (i.e. 17%). This includes the city’s gates (i.e. Port, Airport) and the lack of infrastructure for people with disabilities. Signalization is another weak point (i.e. 17%). As Mouzenidis representative argues, sometimes it’s hard even for the residents to understand the traffic and the street signs; imagine how hard it’s for the tourists.

Despite the fact that the Accessibility/Connection of the city to other destinations, was mentioned above as strength, some of the interviewees mentioned Air-Connection and the Sea/Rail-Connection of the Thessaloniki as weaknesses. The
Macedonia Airport is connected with a limited number of destinations (Mediskou, Zorbidis) and the lack of air-connectivity to various European cities, deprives inbound tourists from the city (Dedeoglu, Grand Hotel).

Moreover, 2 respondents pointed out Traffic Congestion as a major problem and the overall Aesthetics of the city, which includes buildings' lack of beautification, graffiti, and smoking in public places (Koudeli, TCB). The Lack of tourists’ information services is another significant weakness, since there are no maps, related information or directions provided to the city’s visitors (Mavraganhi, IHU).

With regard to the weak points of the city from a management perspective, Lack of Cooperation among the city’s stakeholders, was mentioned by 4 out of 13 respondents (i.e. 33%). “There is no coordinator or a decision maker for Thessaloniki’s image. Thus, each stakeholder can make its own decisions that influence the city; even though they don’t have bad intentions this is the reality” (Koudeli, TCB). “The tourism policy of the city is based on governmental management; everyone expects everything to be done by politicians, however when it comes to the "real work" the existing system stops to operate” (Pengas, Deputy Mayor).

Also, as TTO representative stressed out there is Lack of strategic marketing and promotion on the internet and consequently there is no comprehensive web platform for the tourists regarding Thessaloniki (Mavragani, IHU). Furthermore, based on the aforementioned, it could be argued that all these caused Lack of Thessaloniki’s recognition abroad (Trixa, Regional Department of Ministry of Tourism).

Question 3: There are several European destinations, similar to Thessaloniki. Which cities do you consider as Thessaloniki’s main competitors and why? What are their pros and cons?

The respondents were asked to choose which cities they consider as Thessaloniki’s competitors and to elaborate their answer, as well. Overall, 16 cities were mentioned, namely: Sophia, Warsaw, Barcelona, Izmir, Valencia, Napoli, Istanbul, Prague, Bilbao, Bologna, Budapest, London, Marseille, Rome, Milan, and Dubrovnik. According to the data analysis Barcelona and Izmir stand out with 4 out of 13 responses, respectively. Also, Marseille gathered 2 out of 13 responses.

Furthermore, we could classify the answers according to two criteria: the cities that have similar characteristics to Thessaloniki and the cities that are set as “good examples”. The case of Izmir belongs to the first category since it’s a coastal city, with cultural and historical background, having the second largest port in Turkey. Similarly, Bologna, Napoli, Marseille, Dubrovnik, Valencia and Bilbao share comparable characteristics with Thessaloniki. Even though some of the respondents didn’t mention exact cities, however they referred to “small Italian or Spanish” as well as “European, non-capital” cities.

On the contrary Barcelona belongs to the second category since, as the Deputy Mayor argued, it’s clearly bigger in terms of size, population, tourism activities etc; they don’t have something in common besides that they’re both coastal (Karafulildou, Macedonian Hotels). Similarly to Barcelona we could categorize Istanbul, Prague,
Budapest, London, Rome and Sophia. As Grand Hotel’s representative pointed out, those cities are more organized in comparison to Thessaloniki’s weak points, such as air connectivity and transportation.

Moreover, a distinctive justification came from Petropoulos, SETE. Based on the GRI Index and measuring tourists’ satisfaction, he argued that Bologna, Izmir and Marseille are the three competitive cities for Thessaloniki.

Also, some of the respondents compared the city with other domestic destinations. Macedonian Hotels’ representative made a comparison between Thessaloniki and Volos since both cities are coastal, based on their gastronomy and they both are vivid due to their student communities, while comparisons were made with Corfu and Rhodes, as well (Mavragani, IHU). As TCB’s representative stressed out “the city should be competitive regarding its share of the country; tourists should start thinking that Greece has more destinations than Athens and Mykonos”.

The vast majority of the respondents conclude that each destination is unique and Thessaloniki should establish its own unique identity in order to earn a competitive advantage comparing to other cities. “There are 3-4 elements of the city and some sub-identities that should be promoted and should be used to make a unique product, Thessaloniki”. (Pengas, Municipality)

**Question 4: At which stage is Thessaloniki, as a tourism destination (according to tourism area life cycle)?**

For the present question, all the respondents were given the same graph (i.e. as described in 1.1.2 Destination Life Cycle) in order to assure that they mutually understood the tourism area life cycle. As seen in the chart below (p.36), according to 46% of the respondents (i.e. 6 out of 13), Thessaloniki is currently facing Development stage, followed by Consolidation stage, 23%. Involvement stage was chosen by 15% of the respondents (i.e. 2 out of 13) while Exploration and Stagnation were chosen by 8% of the total respondents, respectively. Rejuvenation and Decline stages were not chosen by any of the respondents.

Several interviewees stressed out that the city has overcome the first two stages because various actions related to its tourism activities were taken. Yet there is a lack of cooperation and coordination, which is a barrier to proceed in to the next stage. Also, those who classify the city at Consolidation stage are referring to Thessaloniki’s establishment to new markets such as Turkey and Cyprus. Thus, it is important to take into consideration that the perspective is changing, considering specific targeted markets.
Figure 18: Thessaloniki’s stage according to TALC, as perceived by the respondents

On the contrary, the director of Regional Department of Tourism argues that since there is no completed marketing plan and in those terms the city doesn’t have a unique identity, the destination is categorized even lower than the Exploration stage. Also, TTO’s representative categorized the city between Exploration and Involvement stage since there are many steps needed in order to reach Development; there is no cooperative plan and both public and private stakeholders, operate individually.

Another distinctive argument comes from SETE’s representative, who categorized the city at Stagnation stage and supports that it will be followed by Rejuvenation due to the several action that already taken for the city’s culture and gastronomy.

**Question 5: What is your contribution to Thessaloniki’s tourism activities?**

Since each interviewee belongs to a different organization, the following responses describe the respondents’ contribution to the city’s tourism activities and were used to for data regarding the importance of stakeholders.

The Municipality’s representative stressed out that “The city’s Mayor is the person who put tourism as a priority for the city; branding, new target markets (e.g. Turkey, Israel) publicity in foreign magazines (e.g. Traveller). As Tourism and International Relations Department, we work intensively under the Mayor’s guidelines and we’ve made a multilingual tourism department in the Municipality of Thessaloniki.”

Macedonian Hotel’s representative described the Tornivouka’s family contribution to Thessaloniki’s tourism activities; Tornivouka Association is formed by 3 hotels (i.e. City, Excelsior, Eagles Palace) and are involved with tourism since 1925 (with Mediterranean Hotel). I think that the family managed to upgrade the level of services for tourists. We have many tourists that re-visit the specific hotels; thus we have gained their trust. Also, the organization has many actions related to corporate social responsibility and helps the city through charity actions.
Furthermore, regarding the Dedeoglou Association which has two 5-star hotels, Mediterranean Palace and Grand Hotel, its representative describes; “We are offering to our visitors high quality accommodation options with 384 rooms in both hotels, gastronomy with certified Greek breakfast and international cuisine. Also we have contemporary convention centers with 4000 people capacity in the 15 rooms of both hotels”.

Two of the interviewees belong to academic institutes. More particular, IEK Akmi’s representative indicated that their contribution is regarding the tourism training and the preparation of the workforce which will implement the development program and establish “Thessaloniki” as tourism product.

IHU’s representative states that: “International Hellenic University has a master program on Sustainable Development and made a new one more focused on Hospitality and Tourism Management; we are training new executives in order to take the lead in hospitality and generally in tourism sector. Also we want to approach students from abroad that want to study tourism in Greece and especially in Thessaloniki; they can be tourists but also “ambassadors” of this image of the city abroad”.

Also interviews were taken by two travel agencies of the city. Mouzenidis’ sales manager points out that “We have 80 offices and we’re oriented in North Greece with our central offices in Thessaloniki. We have charter flights, which serve Halkidiki, Kavala, and Pieria; thus we’ve made North Greece one of the top destinations. Also, we are having incoming tourists from Russia that are famous for the money they spend during their holidays. In every exhibition we promote Greece, even in our offices abroad it feels like you’re in Greece”.

Moreover, Zorpidis’ planning/operating executive claims that “Our contribution is significant. Firstly because we’re the biggest tour operator in Thessaloniki and secondly we have the ability to offer charter flights and the tourists can travel to a wide variety of destination”.

The following two respondents were representing SETE and Marketing Greece. As SETE’s representative described that the organization “has an office in Central Macedonia (i.e. in Thessaloniki) which enhances the promotion of the whole region. Also, SETE has established Marketing Greece a company made of our equity, which promotes the Greek tourism product; we’re building from the start this product, by taking directly the comparative advantages of each region and to promote them in specific markets (e.g. England, France, Germany, Italy and some emerging markets) in three markets of them we’re operating public relations offices. Also, we’ve made a web site (i.e. www.discoverygreece.com) to support that.

Marketing Greece’s representative pointed out that their operations are considering: consulting support in tourism organizations regarding the strategic planning, collection and promotion of cultural and tourist information as well as enhancement and promotion of Region of Central Macedonia.

The General Manager of TCB also described the organization’s contribution: “The Convention Bureau was established in September 2014. When a destination wants
to be in the MICE sector, it has to establish a convention bureau. In other countries the corresponding convention bureaus’ belong to public authorities (i.e. Ministry of Tourism). TCB is private-public, the fact that public administrative authority is a part of the organization makes it more flexible (i.e. faster decision making); we’re operation like private sector but we have Municipality’s support, at the same time”.

The Regional Department of Tourism has contributed mainly in two parts as its Director pointed out: “One which is clearly administrative and another one humane. The first is concerning all the tourism related businesses which take their license from our department, we are controlling if they operating in accordance with the laws and we take their license if they don’t; overall everything that’s related to business operation. Also till 2014 we were in charge of two information kiosks (one in the city center and one in the airport) which probably will be re-operated in the following years. We were organizing familiarization and press trips and we had cooperation with NTO’s offices abroad. Our personal contribution is that city’s stakeholders have our department’s full support and we’re cooperating with all of them”.

*Thessaloniki’s Tourism Organization* has also major contribution to Thessaloniki’s tourism activities. It is a nonprofit organization, established in 2005 as the official tourism board of Thessaloniki’s district in the country and abroad. TTO’s members are: Region of Central Macedonia, Municipality of Thessaloniki, THA, HELEXPO, Thessaloniki’s Port, Regional Association of Municipalities, Regional Development Fund, and Thessaloniki’s Chamber of Commerce.

As TTO’s representative pointed out: “Every year we make the strategic plan regarding: Promotional material, Participation in exhibitions, Familiarization and press trips and additional actions that concern the city’s tourism product. More specific: operation of information points, coordination of the various stakeholders in order to provide a better tourism experience to the visitors, and communication with the corresponding Ministry and Consulates to have more effective actions. Currently TTO is re-operating (i.e. April 2015) after a long-term inactivity, with Ms. Patoulidou as president.”

Furthermore, the Marketing Manager of *THA* describes their contribution, as well. “Every year we are making a marketing plan, based on the city’s characteristics, based on statistics, on the staying nights and on new markets’ characteristics and trends. We are mostly participating in exhibitions (i.e. Europe and Asia), we are organizing press trips and hosting some bloggers. Also we are hosting some travel agents; usually we are cooperating with the corresponding NTO’s departments from abroad and we’re organizing B2B workshops, one day excursions and we bring domestic tour operators who participating for more effective results. Mostly we are promoting Thessaloniki as a city break destination but as a hub, as well”.

*Question 6: Do you cooperate with other organizations for the city’s tourism activities?*

The Question 6 was regarding the cooperation of each stakeholder with other organizations for the city’s tourism activities. The vast majority of the interviewees answered positively and they furthered explained their cooperative activities. The
only exception was the representative from Zorpidis Travel, who clarified that the organization has no direct cooperation with any other stakeholder.

Moreover, two of the respondents (i.e. Marketing Greece and Regional Department of Tourism) mention that they cooperate with every stakeholder related to the city’s tourism activities but they didn’t state specific organizations. Thus, for the present analysis it will be taken into consideration, only the exact times that each organization was referred nominally by the interviewees.

The vast majority of the respondents (i.e. 8 out of 13) mention that they cooperate with the Municipality of Thessaloniki, and more specific with its Department of Tourism and International Relations. “As THA we have good relations with every stakeholder however we are cooperating more actively with Municipality as we’re participating together in exhibitions and it’s providing us with promotional material (e.g. flyers, maps) if we needed” (Tsatsouri, THA). There is collaboration with TCB, as well. “We’re cooperating with Municipality on many levels. For example, in the frame of city’s diplomacy program and we’re participating whenever there is an interest for MICE sector” (Koudeli, TCB).

Also Mouzenidis Travel cooperates with the Municipality; it’s funding learning programs for Russian language, which are taking place in the Municipality’s building. Furthermore both of the academic interviewees indicated that are cooperating with Municipality, as well. “We’re participating together in a program «Study-in-Thessaloniki»; through this we’re attending exhibitions abroad in order to approach students to study in the city” (Mavragani, IHU).

The second stakeholder which was mentioned from 6 out of 13 respondents is Thessaloniki’s Hotel Association. Both of the hotel representatives referred to their cooperation with THA “Of course we’re cooperating with THA since Mr. Tornivoukas (i.e. hotel owner) is the deputy president; I believe that it’s one of the strongest associations and has made significant actions” (Karafullidou, Macedonian Hotels). Also, THA is a member of SETE and TTO thus they’re collaborating, as well.

Additionally, there were 6 references regarding Region of Central Macedonia. More specific SETE, Marketing Greece, TCB, TTO, THA and Grand Hotel are cooperating with the Region. “Our relation with the Region is really close; we have signed a Memorandum of Cooperation. We are participating together in exhibitions and we share material.” (Koudeli, TCB).

Thessaloniki’s Tourism Organization was mentioned by 2 out of 13 respondents; TCB and THA. Particularly THA representative indicated that as an Association they collaborate with TTO but not that actively since it stills needs support for its operation. “Also, we’re cooperating with TTO; they just need time to make more steps forward so they will be able to help us, as well” (Koudeli, TCB). A worth mentioning fact is that even though TTO is cooperating with the majority of city’s stakeholders however all the references regarding it, were pointing out that it needs to be supported in order to be an umbrella for all the stakeholders (Tsatsouri, THA).

It’s remarkable that Halkidiki’s Tourism Organization and Halkidiki’s Hotel Association were mentioned by 3 and 2 out of 13 respondents, respectively. TCB is cooperating
with HTO since they will carry out the all the related actions for Halkidiki's MICE sector. Other stakeholders who were mentioned are: SETE, NTO, and Thessaloniki's Association of Travel Agencies.

**Question 7:** In what way (which degree) do you think the establishment of a public DMO will contribute to Thessaloniki?

Most of the interviewees agreed that the establishment of a DMO will have a significant contribution to the city. “It would be really useful because everyone will share a common goal and the objectives will be achievable and measurable” (Tzivanidou, Mouzenidis) “All the actions for the city will be under a common strategy and everyone will follow the necessary steps. Because currently there are some actions taken, but they are individual” (Mavragani, IHU) “The organization should process all the data and trigger the development and the implementation of specific programs” (Petropoulos, SETE). “It will contribute to the conservation of public, private and European resources, through their optimization it will led to economic development and it will attract new investments” (Dedeoglou, Grand Hotel).

However, the majority of the respondents expressed their doubts regarding the organization’s structure. Even though the question was referring to public formation of the DMO, respondents clarified that the most preferable structure would be a combination of private and public partnership. “I'm in favor of the private model in tourism management; I think that municipality should make a strategic plan but the operational procedures should be carried out by professionals” (Pengas, Municipality). “Generally I'm very skeptical with the term public since the most actions that have been made for the city were private initiatives…the municipality has done some great work but it's not the remedy for everything; the city needs an organization of private and public partnership” (Karafullidou, Macedonian Hotels). “Unfortunately a public organization is not flexible enough to make the best management and promotion of a destination due to time limitations; public sector has to time consuming procedures” (Grammatikopoulou, TTO).

Moreover some of the respondents indicated that the role of a DMO in the city is already taken by TTO. “Thessaloniki has already such an organization; TTO” (Salpisti, Marketing Greece) “The structure of TTO is good in terms of its private-public cooperation; it doesn't need to change” (Koudeli, TCB) “The already existing organization TTO is good, however it should be enhanced and supported in terms of funds, data etc; it has responsibilities but it’s not able to complete them” (Trixa, Regional Department of Tourism).

In addition, it’s remarkable that both of the tourism agents relate Municipality’s actions to the establishment of the DMO. “I believe that it's Municipality's responsibility to take all the actions that are aiming to common interest.” (Tzivanidou, Mouzenidis) “The organization will continue the Municipality’s actions but in a bigger extent and a greater depth” (Mediskou, Zorpidis). Also, IHU’s representative mentioned that under the Municipality's auspices, this organization could be reinforced and all the actions taken (i.e. tourism, gastronomy, education etc.) to be under the same umbrella.
Question 8: Why should/not you participate in such an organization?

The respondents were asked to state the reasons they should or shouldn’t participate in such an organization. Most of them they were positive regarding their participation in the DMO. “We could give directions, contribute in the strategy making and give incentives but our work should be reduced in the operational part” (Pengas, Municipality). “Since the DMO will be private-public cooperation and because of the administrative position we already have in THA, I believe it would be vital to participate in it” (Karafullidou, Macedonian Hotels) “As an active body of the tourism development in the city we could offer the know-how and new prospects that are required for the competitive operation of such organization” (Abelas, IEK Akmi)

On the contrary there are some respondents who believe that their participation in the DMO wouldn’t be necessary. “Our regional department doesn’t have to participate in such organization like TTO since is already cooperating with all the implementation bodies in the Region of Central Macedonia” (Salpisti, Marketing Greece). “As an organization we should cooperate but not necessarily to take part in it. For example, TTO which was in charge of the marketing and the promotion of the city should be able to support us with audiovisual material (e.g. official photos, videos, maps, web site for the city)” (Koudeli, TCB).

Question 9: Which –do you believe- are the main impediments to the establishment of such a common strategic effort?

The last question was considering the perceived barriers to the establishment of a DMO in Thessaloniki. As it is seen in the chart below, even though each interviewee expressed various impediments, 5 out of 13 (i.e. 38% of the respondents) referred to Bureaucracy as the main barrier. “In case that the organization will be involved with the public sector, the problems will be relate to this; bureaucracy and political conflicts that will always be an issue” (Karafullidou, Macedonian Hotels). “Public sector has many difficulties and bureaucracy.” (Mavragani, IHU)

Additionally Political Interests was chosen by 23% of the total respondents. “Also it has to do with political interests and it’s a matter of balance; it’s mostly about that and not about the organization’s barriers themselves” (Petropoulos, SETE).

Other barriers which were mentioned are the Political System and Cooperation Issues; each one was chosen by 23% of the total respondents. Regarding the Political System, Municipality’s representative argued that general in the Greek political system everyone wants to have power and distribute it as he wishes; there are no self-funding and self-operating procedures. “From my experience these organizations are lasting until the Mayor’s term of office, comes to an end” (Mavragani, IHU). “The most common model of promotional organizations is the one that combines all the stakeholders –public and private- so it won’t be influenced from potential political changes” (Grammatikopoulou, TTO).

In the view of Cooperation Issues Regional Department of Tourism representative stressed that the main barrier is cooperation; we don’t know how to cooperate. “Some people don’t want to cooperate and follow the lead of one person.” (Mavragani, IHU).
Figure 19: The perceived barriers for the establishment of a DMO

*Many Opinions* (i.e. 15% of the respondents) it’s a category that even though could be affecting the cooperation activities, it is recorded individually. “There are many barriers; since there are many stakeholders and they have different opinions…thus, there should be an organization to unite all of us.” (Tsatsouri, THA) “History has shown that whenever there are many opinions, it is hard to come in an agreement. In the case of the Organization many opinions would create delays in the goals’ achievement.” (Dedeoglou, Grand Hotel)

Considering the *Funds* which was chosen by 2 out of 13 respondents, Mouzenidis Travel representative argued that it’s doubtful if anyone could afford to pay for those actions or for example a private company to carry them out. Also, as mentioned by IEK Akmi’s representative a barrier would be the lack of necessary funds to implement those actions.

Other impediments mentioned were the *Personnel* (i.e. lack of equipped work force that will acquire specific knowledge and experience in order to staff the organization, *Opposed Interests* and *Economic Crisis* and the overall adverse situation in Greece currently.
4. Interpretation of Results – Discussion

In the present chapter a summary of the research is presented and findings of the study are discussed and interpreted. The destination management for the city of Thessaloniki seems to have an unclear image while there is no official Destination Management Organization in the city. As it became evident from the literature review, destination management is a multi-complex procedure, having a wide variety of stakeholders involved. Consequently a DMO’s procedures are characterized by complexity, as well. Additionally whether a DMO will be focused on marketing or management of the destination, it’s an issue that can only be addressed by analyzing its functions.

The present dissertation attempts to identify the major stakeholders of Thessaloniki’s tourism, their perceived image of the city, as well as, their attitude towards the potential establishment of a DMO. To achieve that, 13 structured interviews were conducted with various tourism stakeholders of the city. The sample includes organizations that affect directly or indirectly Thessaloniki’s tourism activities.

In view of interviewees’ perceived image of the city, the overall results were in accordance with past surveys’ results, as presented in literature review and no significant gap was recorded among their responses. The basic characteristics which make Thessaloniki a city break destination are the city’s Culture/History, Gastronomy and Entertainment options. Also, Accessibility was pointed out as a key characteristic, especially through airline-connections with LLC.

At this point, it is worth mentioning that the Deputy Mayor clarified that as Municipality’s representative, he never referred to the promotion of Thessaloniki as city break destination. His main argument regarding the term ‘city break’ was considering the duration of city break trips; the Municipality has made many actions in order to extend the tourists’ staying duration and make the city a destination for the whole week.

Moreover, the perceived strengths and weaknesses of the city’s image were also in accordance with the literature review. From the total mentioned characteristics, Gastronomy stands out, followed by Culture/History and Entertainment. Also, Safety in the city is a major attribute and should be pointed out more as it was indicated by some of the respondents.

The main difference between ‘city break characteristics’ in Question 1 and ‘city’s strengths’ in Question 2, is that the first question attempted to identify specific city-break attributes of Thessaloniki, as they are described in literature review, while the latter, more generic strong point of the city. For instance the easy access and the connectivity to the city stand out as a city break attribute (mostly referring to LLC), but it was mentioned as a weak point, as well (in terms of the air connection with limited number of destinations).

It’s noteworthy that most of the interviewees didn’t mention strong points from a management perspective. The only element mentioned was the Stakeholders’ Intensive Actions which is perceived as strength by one respondent. Even though, the vast majority (i.e. 10 out 13 respondents) mentioned that there are several
stakeholders’ actions taken, during their interviews, they didn’t categorize them as strength.

From the recorded weaknesses, *Cleanness* of the city was stated as a major problem. As some respondents argued, Thessaloniki is not a big city in terms of size and population, thus cleanness is an issue that could be easily addressed by Municipality. Other weak points were considering *Transportation, Signalization, Tourism Infrastructure* and the *Air-Connection* with other destinations. Even though Thessaloniki is easily accessible through air, road, rail and sea, some of the respondents stressed out that the city’s air-connectivity with other destinations it’s limited, while the sea and rail connectivity needs improvement.

From management point of view, *Cooperation Issues* were mentioned as a weakness; it could be argued that this is a major problem since there are numerous stakeholders in the city and that indicates the lack of coordination among them. Also, as it is pointed out by TTO’s representative Thessaloniki has a lack of marketing and promotion on the internet. Even though this wasn’t mentioned by many respondents, it should be taken into consideration; according to literature review the majority of tourists search and book their holidays for Thessaloniki through internet. Thus it could be indicated that the lack of a coherent marketing strategy and promotion on the internet, it’s a major issue and should be addressed.

Also another respondent argued that Thessaloniki lacks of recognition abroad, which could be considered as a consequence of the above weakness. Additionally to those statements, based on GBR’s survey results, the majority of tourists had a much better experience than they expected; probably that indicates that the insufficient promotion of the city caused lower tourists’ expectations.

Considering Thessaloniki’s competition as it is perceived by the respondents many of them mentioned big, capital cities (i.e. Barcelona, Rome etc.) which share some similar characteristics with Thessaloniki (e.g. coastal, seafront) but their population and tourism activities are much greater in size. Although those cities could be used as “good examples” for practices in terms of destination management, it’s hard to make credible comparisons due to the major differences between them and Thessaloniki.

Other comparisons that could be considered more reliable are those that have been made to non-capital, second tier cities which combine similar characteristics with Thessaloniki (e.g. cultural elements, coastal etc.). The most accurate justification was the one that used GRI Index and taking into account tourists’ satisfaction and the cities’ characteristics; according to this, Bologna, Izmir and Marseille are characterized as Thessaloniki’s competitors.

Also it’s worth mentioning that many of the respondents pointed out the need of Thessaloniki, to create a unique identity and promoted as tourism product in order to be considered competitive towards other destinations. Those points raise questions regarding the city’s competitive position and in what degree it is affected by the lack of cooperation among the stakeholders in Thessaloniki.
Furthermore, the perceived stage according to TALC had shown some differences considering the perspective of each interviewee. The majority of responses classified Thessaloniki at the *Development* stage. As far as it concerns the respondents who categorized Thessaloniki at *Consolidation* and *Stagnation* stage, they pointed out the various actions from the stakeholders regarding Thessaloniki’s gastronomic identity and the city’s establishment to specific markets such as Turkey, Balkans and Cyprus. Other respondents such as TTO’s representative, had a global point of view and based on that, categorized the city to the *Involvement* stage.

Regardless their response, many of the interviewees stressed out again that there are cooperation issues and many of the stakeholders act individually; which indicates that the lack of coordination could be a barrier for the city to make progress and reach the next stages.

Another finding which raises some points for discussion is that most of the respondents are cooperating with Municipality for activities related to Thessaloniki’s tourism; which indicates that Municipality is one of the major stakeholders. Similarly many of the respondents are cooperating with THA and Region of Central Macedonia, as well. However, TTO - which is having DMO’s role according to some of the respondents – was mentioned fewer times than the aforementioned organizations while the majority of those who mentioned TTO pointed out that, it needs support in order to accomplish its responsibilities.

Considering each organization’s contribution to Thessaloniki’s tourism activities, TTO should be completely in charge of the marketing and the promotion of the city, and to have a coordinating role among the stakeholders; since its re-operation from April 2015. However due to TTO’s long term inactivity, probably the other major stakeholders had to fulfill this gap. As THA’s marketing manager pointed out “Other Associations don’t have a marketing department; we had to do it because if we want to promote our hotels, Thessaloniki should be promoted first”. If TTO was actually undertaking the role of a DMO in Thessaloniki then we could classify the type of each stakeholder’s participation and the management strategies for each stakeholder category (according to the typology as seen in 1.2.2 Stakeholders’ management).

In view of the present research’s interviewees, Municipality and THA would have *self-mobilized participation* and would be *critical friends* to TTO, since they are already members of the organization. Tour operators, TCB and Regional Department of Tourism would have *interactive participation* and they could participate in joint analysis and to the development of action plans. Hotels, as individuals and educational institutes would have a *functional participation* in TTO and would be *weak friends*. Even though, there is no direct competition between TTO and Marketing Greece, however sometimes their missions may overlap; under those terms Marketing Greece could be characterized as *quite competitor* for the organization.

Most of the respondents were positive regarding their participation in the potential DMO, although they expressed their disagreement towards a public structure of the organization; the majority supported a private-public partnership. Furthermore, many of the barriers that were mentioned concerned the public character of the
organization (i.e. bureaucracy, political interests etc.), cooperation issues and some of the respondents mentioned funds (especially if a private management company is involved).

At this point it needs to be stressed out that some of the respondents stated that practically no one is in charge of Thessaloniki’s tourism management. Also, many of the respondents seem to confuse the terms destination marketing and destination management. It was pointed out to the interviewees that the present dissertation examines DMO as an organization which undertakes management functions. However, there were many cases in which the respondents implied that TTO has already taken the Destination Management Organization’s role or they underlined through their examples only marketing functions of the organization.
CONCLUSIONS

Destination management is a very complex process; however it could be a vital tool for a destination in order to be developed and competitive. Prerequisite for a successful destination management and the operation of a corresponding DMO is the cooperation among the stakeholders.

In the frame of the present dissertation the following research questions should be addressed:

1. Who is currently in charge of Thessaloniki’s tourism management?
2. In what degree the city’s stakeholders are cooperating?
3. What is the contribution of each stakeholder in Thessaloniki’s tourism activities?
4. Is there any gap in the perceived image/brand of the city among stakeholders?
5. How does this affect Thessaloniki’s image as tourism product?
6. What is the ideal perceived structure of a DMO for the city?
7. What are the perceived barriers for a DMO’s establishment in Thessaloniki?

Considering the first question, currently no one seems to officially be in charge for Thessaloniki’s tourism management. There is no coherent strategic plan to be followed by the city’s tourism stakeholders. Although Thessaloniki’s Tourism Organization is expected to undertake these responsibilities, until now it seems that its functions are more oriented to marketing rather than management. Additionally, after a long-term inactivity, it started to re-operate few months ago and it still needs support in order to carry out the pending issues and take over new responsibilities.

Regarding the second question it becomes evident that there are many cooperating issues since there isn’t any organization to take the lead and have a coordinating role in the destination’s management. Nevertheless, there are cooperative actions among some tourism stakeholders but they are neither consistent nor official; each organization is in charge of its own operations. The same situation is applied to the majority of the interviewees, with few exceptions.

Concerning the third question, the contribution of each stakeholder needs to be assessed. Currently, the Municipality of Thessaloniki and THA have a major contribution and it could be argued that occasionally they were playing DMO’s role. Thus, they would be critical friends with self-mobilized participation to the potential DMO.

The fourth question attempted to identify whether there are differences within the stakeholders, regarding their perceived image of the city. Stakeholders’ don’t seem to have a considerable gap on the way they perceive the city’s image; they come in an agreement, concerning the attributes that make Thessaloniki a city break destination, as well as, for the city’s strengths and weaknesses.

In view of the fifth question, stakeholders perceive similarly the image of Thessaloniki thus, under those terms the city’s brand as tourism product doesn’t seem to be affected negatively. However the lack of cooperation and coordination amongst
stakeholders and the lack of an articulate marketing strategy on the internet have negative effects on the city’s brand.

Considering the *sixth question*, the ideal perceived structure of a potential DMO in Thessaloniki would be a private-public partnership. The presence of private sector is crucial since tourism professionals are needed to efficiently staff the DMO and to be in charge of the operational part. However public sector is needed, as well, in terms of DMO’s administrative part, for granting rights or authorization.

With regard to the *seventh question*, the impediments to the establishment of a DMO in the city of Thessaloniki are mostly concerning the public character of the potential organization such as bureaucracy, political interests and funding issues.

Since TTO is established as the official tourism board of the city and cooperates with a wide variety of Thessaloniki’s tourism stakeholders, it would be time and money consuming, to consider the establishment of a new organization as DMO. However, it is essential that TTO, in order to undertake both marketing and management functions and in those terms to be considered as DMO, to take the coordinator’s role among the city’s stakeholders and enhance the marketing and branding activities. Especially with Municipality and THA, which seems to be crucial friends for TTO; they’re already members but they should have ongoing communication, active support and data provision. Also, there is no evidence of any stakeholder to be directly competitive to TTO while quite competitors (in terms of missions overlapping), indifferents and weak friends could be managed with right strategies’ implementation.

Considering the Organization’s funding (TTO is a non-profit organization), besides the financial support of its members, it could find some alternative resources. Many European countries already apply a tourism related VAT on overnights. As the Deputy Mayor pointed out there have been discussions regarding this policy’s implementation in Thessaloniki, as well. A recommendation could be to use a part of the VAT to support TTO’s operations. However, to implement such strategy, all stakeholders, and especially hoteliers, have to totally agree, while the involvement of public authorities would be necessary.

A wider research is mandatory in order to examine the attitude of another major stakeholder; the local community. Residents’ friendliness towards tourists is a key characteristic and stands out regarding tourist’s satisfaction. However, before proceeding to any changes and to manage them more effectively, implementation bodies should be aware of the residents’ attitude, in order to assure their fully support to the overall management policies.
REFERENCES


APPENDIX

Questionnaire

Dear Sir/Madam,

The present research is conducted from the student Papadopoulou Sotiria, in the frame of my dissertation for the master program, MSc in Sustainable Development of International Hellenic University. The dissertation aims to research the destination management and the establishment of a potential DMO in the city of Thessaloniki.

All the responses will be used exclusively for the present research; its content will be used strictly for academic purposes. For any further information please contact me via: s.papadopoulou2@ihu.edu.gr

Destination management is defined as the overall strategic, organizational and administrative decisions which are taken in order to define, to promote and to commercialize the tourism product.

Thus, Destination Management Organizations are defined as the coalition of various organizations towards this common goal, with the leading role of coordinating the actions of its members to a common, coherent strategy.

1. Thessaloniki is promoted as city break destination. Which are the city's main characteristics to support that?

2. What are the strengths/weaknesses of Thessaloniki as a destination (from a management perspective)?

3. There are several European destinations, similar to Thessaloniki. Which cities do you consider as Thessaloniki’s main competitors and why? What are their pros and cons?

4. At which stage is Thessaloniki, as a tourism destination (according to destination life cycle)?

[53]
5. What is your contribution to Thessaloniki’s tourism activities?

6. Do you cooperate with other organizations for the city’s tourism activities?

7. In which degree do you believe the establishment of a public DMO will contribute the city?

8. Why should/not participate in such an organization?

9. Which –do you believe- are the main impediments to the establishment of such a common strategic effort?

Thank you very much for your time
Responses

Pengas Spiros

Deputy Mayor of Tourism & International Relations

Municipality of Thessaloniki

1. Personally as municipality representative I don’t use the term “city break” I found it a bit old; I’m trying to expand and enhance it and make Thessaloniki a destination for the whole week. Now Thessaloniki is full during the weekends and we are trying to expand the duration of visitors staying in the weekdays or in summer months which is the off-peak season for the city. This is partially already happening, that’s why I avoid using the term “city break” because I think it is misleading regarding the strategy we want to develop as municipality.

2. Tourism policy is based on a governmental management; everyone expects everything to be done by politicians. There has been a progress due to some charismatic personalities such as the Major Mr. Boutaris. However, when it comes to the “real work” the existing system stops working. This is the reason we (i.e. municipality of Thessaloniki) propose to change the existing tourism management system and to have a more “private” character while it will be self-funded. More specific, the region, the municipality and the politicians should participate in the strategic planning but the management should be made by professionals.

3. There are various characteristics in each Mediterranean city that could stand out. I’m trying to avoid comparisons for example between Thessaloniki and Istanbul or Barcelona because they have 10 times more tourists; however there are many elements in those cities that we could see. (Bilbao—new target markets, Massalia—4 mil. stay nights from cruise) The important thing is to point out Thessaloniki’s unique advantages. The multicultural past of the city it’s hard to find (only in Izmir there was a similar cultural history however the last years it gradually disappeared). The young vibe in the city with its student community, it’s the city that never sleeps. There are 3-4 elements of the city that should be promoted with some sub-identities (Gastronomy, Mystery in Thessaloniki) or Olympus as a sub-brand nearby the city; all these should be used and make a unique product, Thessaloniki.

4. The person who put tourism as a priority is Giannis Boutaris (i.e. the mayor); Branding, new target markets for the city (e.g. Turkey, Israel) publicity in foreign magazines (e.g. Traveller). We work intensively under the mayor’s guidelines and we’ve made a multilingual tourism department in the municipality of Thessaloniki.

5. Thessaloniki’s Hotel Association
   National Tourism organization
   Khalkidhiki’s Tourism Organization
   Municipality of Kalamaria
• Also, we provide personnel for tourism exhibitions.
6. I’m opposed to a public form of the organization; I am in favor of a private model for tourism management. I think that municipalities of the region should make the strategic plan but the operating procedures should be made by professionals.
7. We would like to give directions and contribute to the strategy. Also to give incentives but our work should be reduced in the operating part. We are facing difficulties because no one else contributes; for example the info kiosk in Aristotelous square is operating with municipality’s personnel.
8. The Greek political system and its client system; everyone wants to keep power and to distribute the authorities as they want to. There are no self-funding and self-operating procedures.

Karafyllidou Thaleia

Public Relations

Macedonian Hotels

1.
• Small city, you can walk through its center, both new and historic, from Aristotelous Square till the Port and all these are in a walking distance.
• The market is placed in the city center and all the foreign tourists (mostly from Balkans) find it easy to shop.
• Low cost airlines (i.e. Ryanair, Transavia) which connect big European cities with Thessaloniki.
• Collective action from Thessaloniki’s Hotel Association, Deputy Mayor of Municipality of Thessaloniki to make Thessaloniki a city break destination.
• However we haven’t completely managed to make the city an established “destination”;
• Exceptions are Cyprus, Turkey and Balkans’ market where important actions have been made.

2.
• Strengths: Firstly, the city’s culture; we have many historic monuments, museums (e.g. Archaeological and Museum of Byzantine Culture). There are many cultural festivals and actions in the city almost every month. Also, the city’s gastronomy; Thessaloniki is a “food-city” with many restaurants while many news are opening. The city’s port, which is a destination itself and you can walk through the new and the old seafront.
• Weaknesses: There is no right infrastructure for tourism activities. Also, there are many elements that could be improved such as the cleanliness, accessibility for disable people, and generally to adopt a way of thinking to help the tourists and not to “steal” from them.

[56]
3. Thessaloniki is a very unique city. There are many countries (not necessarily cities) that could be characterized competitive generally to Greece. For example Turkey, Italy, but each one has different characteristics from Thessaloniki. A comparison could be made between Thessaloniki and Volos (both are coastal, based on gastronomy and on the students).

About the comparison between Thessaloniki and Barcelona, I don’t think that they have something in common besides they are both coastal cities. Barcelona is the epitome of architectural style; here in Thessaloniki we had some great architects but we haven’t managed to promote them as it should. If there are no private initiatives many buildings-jewels of the city will be lost.

Thessaloniki should be placed in the map for foreign tourists; when we’re referring to Thessaloniki, most of them think Athens or islands; they don’t know where Thessaloniki is.

4. I think that Thessaloniki is in the development stage. There are many actions taken from Thessaloniki’s Hotel Association and from the Deputy Mayor Mr.Pengas. Many articles have been published promoting Thessaloniki as an ideal destination (i.e. New York Times, Guardian, Conde Nast Traveller). Thessaloniki has been rejuvenated due to many changes (e.g. tourism exhibitions, familiarization trips). However in order to establish Thessaloniki as a tourism destination there are many coordinated actions needed from both public and private sector. It’s crucial to increase direct flights from Thessaloniki to various European cities and give an incentive to European tourists to visit the city.

5. • Tornivouka Association is formed by 3 hotels (i.e. City, Excelsior, Eagles Palace) and are involved with tourism since 1925 (with Mediterranean Hotel). I think that the family (i.e. Tornivouka) managed to upgrade the level of services for tourists and established Komninon (the street where 2 of 3 hotels are located) as a street with very good hotels in terms of quality and architecture.

• We have many tourists that re-visit the specific hotels; thus we have gained their trust.

• Also, the organization has many actions related to corporate social responsibility and helps the city through charity actions.

6. • Thessaloniki’s Hotel Association in which Mr. Tornivoukas (i.e. the owner) is deputy president. Till now is one of the strongest associations and has made a significant actions.

• Halkidiki’s Hotel Association that we’re also members because of Eagles Palace

7. • Generally I’m very skeptical with the term public. I think that most actions that have been made in the city are because of private initiatives.
In public sector there is great bureaucracy. For example Thessaloniki’s Tourism Organization which have been established some years ago, had a great president (i.e. Mr. Sapountzis) however they didn’t manage to do many things due to bureaucracy.

Also, the department of deputy municipality and the deputy Mayor (Mr. Pengas) has done some great work but it’s not the remedy for everything. The city needs an organization with the partnership of private and public sector. Public in order to have the authority and private in order to make some things, to be staffed by managers that they know what the city wants, they have worked in the city and they know its problems; no the traditional civil servants with the bad side of the term.

8. Since this organization will be a private-public sector partnership, our organization based on the experience and the administrative position that has in Thessaloniki’s Hotel Association I think it would be vital to be a part of this organization. Also, Tornivouka family is making 100% Greek investment in the country (their fourth hotel) and they have an established network.

9. In case that this organization has the public element as well, the problems will be related to this, the bureaucracy, political conflicts which will always be an issue. That’s why I believe in private initiatives, because there are people with vision and the funds to accomplish it; it makes it easier.

Abelas Diamantis

IEK AKMI – Tourism Agent

1. 
- Archaeological, spiritual, historic and cultural monuments
- Business related interests and exhibitions
- Decent infrastructure in hospitality and transportation.
- New forms of tourism such as sports and gastronomy tourism.

2. 
- Lack of cooperation amongst the tourism related bodies of the city (i.e. public, private, municipal)
- The intensive actions of the above to enhance the tourism trend.

3. Athens and Istanbul; the attractions in those three cities (including Thessaloniki) are having similarities.

4. Development. Thessaloniki has overcome the stage of exploration and involvement but has not reach yet the stage of consolidation, stagnation, rejuvenation and of course decline.

5. Tourism training and the preparation of the workforce which will implement the development program and establish “Thessaloniki” as tourism product.

6. With all the bodies which are implement tourism policies and are related with the city’s promotion. Municipality of Thessaloniki, organizations, associations and private bodies who provide tourism facilities.
7. In the utmost degree, as long as it was fully accepted from every body of the city and it was operating in a selfless way.

8. Being an active body of the tourism development of the city, we could offer the know-how and new prospects that are required for the competitive operation of such organization.

9. The inability of cooperation amongst the various bodies in the city. Personal interests of those who managed. Lack of necessary funds in order to implement some actions and the lack of equipped work force that will acquire specific knowledge and experience in order to staff the organization.

_Diana Ntzivanidou_

_Sales Manager_

_Mouzenidis Travel_

1. Thessaloniki has shopping malls, so one characteristic is the shopping opportunities. Also, the city's gastronomy and nightlife are really important. Thessaloniki has a great archaeological interest, with many museums; and the nearby area (e.g. Olympus), as well. It's a good combination with elements of a city break destination.

2. **Weaknesses**: The cleanliness is the weakest point. In the city center, in Thermaikos Gulf it's not a nice image; the municipality should take care of this. Also the signs are not properly located and generally the signalization, we should examine it from a tourist’s perspective. Market is closed on Sundays.

   **Strengths**: Friendliness of local people and the culture (they are welcoming) monuments, historical sites, gastronomy.

3. We could examine some other cities as a good example for Thessaloniki in various tourism practices. In London for instance it’s hard to get lost even if you want to; they have really good signalization, maps everywhere, they have very good services for the tourists. Also, even though they don't have many historical sites but they leveraged what they had; generally are more oriented to the tourists.

4. Somewhere before development. The Mayor made many things and changes, cruises, cooperation with Turkey, festivals etc. but still the rest of the city seems not to follow (e.g. Metro infrastructure, cleanliness issues etc.). The development of a city depends on their citizens; if the citizens are demanding then the city will be developed.

   It’s better not to compare Thessaloniki with capital cities; sometimes we are very demanding from Thessaloniki.

5. Really great, we have 80 offices and we’re oriented in North Greece with our central offices in Thessaloniki. We have charter flights, which serves Halkidiki, Kavala, and Pieria so we made North Greece one of the top destinations. Also, we are having incoming tourists from Russia which they’re famous for the money they spend during their holidays. In every exhibition we promote Greece, even in our offices abroad it feels like you’re in Greece.

[59]
6. We are cooperating with NTO and sometimes we participate together in exhibitions. Also, we are funding some learning programs regarding Russian language in cooperation with Municipality of Thessaloniki. Also, we're sponsoring various actions related to Greek tourism (e.g. festivals).

7. I'm not sure if an organization like this will be viable in Greece, except if it was under private interests. Imagine that there is the Municipality of Thessaloniki, Thessaloniki’s Hotel Association, N.T.O. and they can't communicate effectively. Personally I believe that it's Municipality's responsibility to do this towards common interest. It will be ideal if there was a Destination Management Organization but I'm not sure how effective it will be working in Greece; due to bureaucracy and to persuade all the bodies/organization to be a part of this organization. However, it will be useful to have such an organization in order everyone to share a common goal and the goals that will be set to be achievable and measurable. Then the organization should be staffed by professionals; that's why I believe it should be formed by a private company.

8. We should be a part of this organization; sometimes I believe that tour operators are promoting Thessaloniki more effectively than the public bodies. Of course if this organization existed and Thessaloniki was worldwide known our work will be much easier.

9. Financial issues-I don't think that anyone could afford to pay e.g. a private company. Bureaucracy and opposed interests.

Elenh Mavragani

Academic Associate at the School of Economics, Business Administration and Legal Studies

International Hellenic University (IHU)

1. The basic characteristic is the airline connection that Thessaloniki has with many destinations; especially low cost carriers such as Ryanair. Also the city has good urban hotels and it is famous for its gastronomy and entertainment opportunities. Thessaloniki is offered for sightseeing, it has some significant monuments and very interesting museums. Moreover, shopping could be another characteristic since the city is famous for its central market. The fact that is located nearby to other destinations and tourists can make a trip out of the city, expands the tourism product.

2. Weaknesses: there is no well-established web platform for the city. Lack of maps and lack of info-points for the tourists (e.g. info kiosk, touch point).

Strengths: Vivid city mostly because of the students, both in winter and summer months. It's an affordable city and has many cafeterias and restaurants per capita, which makes it attractive. The location is also important (i.e. the sea, the castle etc.).

3. For sure I'm not going to compare it with Athens. Maybe I could make a comparison with Corfu or Rhodes. From other cities abroad maybe we could make a comparison with cities that are not capitals.
4. For sure it’s not in the first three stages, I believe it is somewhere consolidation and stagnation. It’s a well known destination especially in Turkey, Cyprus, and Greece. Maybe we’re approaching the stagnation stage and the next move should be rejuvenation in terms of upgraded services by following the trends of other European cities (e.g. more festivals, events).

5. International Hellenic University had a master program on Sustainable Development and made a new one more focused one Hospitality and Tourism Management, we are training new executives in order to take the lead in hospitality and generally in tourism sector. Also we want to approach students from abroad that want to study tourism in Greece and in Thessaloniki; they can be tourists but also “ambassadors” of this image of the city abroad.

6. We are cooperating with SETE, with Thessaloniki’s Hotel Association and Halkidiki’s Hotel Association. Also we are cooperating with the Municipality of Thessaloniki and we’re participating in program “StudyInThessaloniki” and through this we’re attending exhibitions abroad and try to approach students to study in Thessaloniki.

7. Of course it will contribute; all these actions to have a common strategy for the city and everybody to follow these steps. Because there are made fragmentary actions which are not always aim in the same direction; maybe there are made some good efforts but they’re failing because they’re individual.

8. Under the auspices of Municipality this organization could be reinforced and all these action (i.e. education, tourism, gastronomy, wine tourism etc.) could be under the same umbrella. (and to use the same web-platform)

9. From my experience, I think that since those organizations are public, their actions last till Mayors term of office comes to an end. Also another barrier is that some people don’t want to cooperate under one person. But if this person proves belongs to public sector and doesn’t have political interests then no one will have a problem to cooperate. To make this organization public assures that it’s neutral, fair, has no direct economic effect and pays the same attention to each member; so I would prefer public presence. But public sector has many difficulties and bureaucracy; usually these organizations are public with private sector’s characteristics so a combination of those will be a solution.

    **Suzanna Mediskou**

    **Planning/Operating Executive**

    **Zorpidis Travel**

1. The youthful spirit of the city and the multi cultural elements in the city (i.e. geographic location)
2. Weaknesses: Transport, lack of metro, airport has limited destinations
   Strengths: Nightlife, entertainment, gastronomy
3. Maybe Barcelona would be a similar city
4. Our contribution is significant. Firstly because we’re the biggest tour operator in Thessaloniki and we have the ability to offer charter flights and the tourists can travel to every destination.
5. No we are not cooperating directly with any other organization, only indirectly.
6. It will contribute, and I believe mostly through the Municipality of Thessaloniki which already exists but in a bigger extent- greater depth.
7. Like a tourism organization we should participate in this effort in order to promote the city.
8. The main barrier would be bureaucracy and currently the whole country is in an adverse situation; especially to promote such efforts and to be implemented.
9. A combination of public and private will be better in order to have a vision
10. We are somewhere in the middle, maybe in development stage.

**Xenofon Petropoulos**

**Group Communications**

**Greek Tourism Confederation, SETE**

1. Firstly I think that it’s the air connection of the city with other European destinations (up to three hours flight). Secondly the gastronomy of Thessaloniki. Also, the city has rich cultural and historical elements, which could be an attraction for niche markets. Those three powerful characteristics are differentiating Thessaloniki and make it suitable for “city break” destination.
2. Strengths: There are some specific experiences that a tourist can live in Thessaloniki (i.e. gastronomy, walking, seafront, exhibitions etc.). Weaknesses: The parts of the tourism product that maybe doesn’t leverage, doesn’t make the most of them.
3. Bologna, Izmir and Marseille in terms of tourists’ satisfaction; in which Thessaloniki has approximately 81% while Greece is up to 85%.
4. Thessaloniki a basic destination; it has been through various stages. The last two years the city is in the stagnation stage, and I think the next stage will be rejuvenation because there are many actions taken to develop the culture and the gastronomy of Thessaloniki.
5. SETE has an office in Central Macedonia (i.e. in Thessaloniki) which enhance the promotion of the whole region. Also, SETE has established Marketing Greece a company made of our equity, which promotes the Greek tourism product; we’re building from the start this product, by taking directly the comparative advantages of each region and to promote them in specific markets (e.g. England, France, Germany, Italy and some emerging markets) in three markets of them we’re operating public relations offices. Also, we’ve made a web site (i.e. www.discoverygreece.com).
6. We’re having a good relationship with both the Region of Central Macedonia and Thessaloniki’s Mayor and we’re trying to make cooperative actions. Also,
with Thessaloniki’s Hotel Association (which is also a member in SETE), Thessaloniki’s Tour Operators Association and Halkidiki’s Hotel Association. Through Marketing Greece we have made a complete marketing plan for Central Macedonia (to develop the destination, the tourism product and to attract as many tourists as possible).

7. I think an organization that could process all the data, and trigger the development and implementation of specific programs. From my experience, I believe that it should be a combination of private and public sector. From one hand the public sector will contribute in terms of funding and the connection with the local authorities; someone who will filter all the actions. On the other hand private sector could contribute on the operating part; be in touch with tour operators, airline companies, to make a comprehensive business plan etc. So, if we (i.e. SETE) by being a company of private interest will cooperate with public sector will have more quality and faster results. Certainly it would be better to have one organization that will operate and manage the destination, but it should have members that will pay off, give the best results.

8. We’re already participating in a way through Marketing Greece, we have cooperation with the whole Region and each municipality of Central Macedonia, and we’re trying to implement the actions that each municipality is thinking but has a lack of “know-how”. However, we know how to overcome the barriers that the public sector cannot, and we can make some procedures operate faster.

9. Barriers have mostly to do with each region and in what degree is ready to give authorities and invest on this part. So the barriers start from planning till the implementation. Also, it has to do with political interests and is a matter of balance; it has to do more with that and not with organizational barriers. If there is budget the rest will follow. So if there was an organization pure public then it has to take care of the first part that I just mentioned. But if there was cooperation with private organization, there was a business plan and we had the proper resources, for sure the barriers could be overcome.

Eliza Salpisti

INSETE - SETE
SETE Hub Region of Central Macedonia

1. 
- Air and road access, ideally the rail and sea access will be organized better.
- Sufficient numbers of beds in hotels of various categories, many of them are placed in the city center.
- Contemporary convention centers and areas.
- Organized academic and scientific community.
- Big number of citizens, organized structure of urban tissue
- Culture and sights
- Competitive cost and variety in food and entertainment services

2. Weaknesses:
• lack of sea and rail connections
• lack of an alternative transport medium (besides buses)
• problem with cleanness
• problem with traffic congestion
• There is a need of beautification regarding buildings and infrastructure.

Strengths:
• Security
• Easy access and proximity to sights and museums
• Residents speak foreign languages (easier communication)
• Progressive and hospitable citizens
• Variety in cultural areas (i.e. historic center, Castle, port etc.)
• Broad access to Internet.

3. 
• Izmir: coastal city, 2nd city in Turkey regarding visitations, with European profile and contemporary infrastructures.
• Barcelona: besides the aforementioned factors, stands out worldwide for its unique architectural style.
• Dubrovnik: medieval city (UNESCO sites) well established port for cruises in the southeast Europe area.

4. 
• Consolidation; having already completed the research, defined the frames of cooperation amongst businessmen and tourism organizations, and having opened according to the profile and the goals, many new markets.

5. 
• Consulting support in tourism organizations regarding the strategic planning.
• Collection and promotion of cultural and tourist information.
• Enhancement and promotion of Region of Central Macedonia.

6. With everyone
7. For the case of Thessaloniki there is Thessaloniki Tourism Organization.
8. The Regional Department doesn’t have to participate in such organization such TTO since is already cooperating with all the implementation bodies of Region of Central Macedonia.
9. The organization already exists (i.e. TTO) however it needs support.

_Efi Koudeli_

_General Manager_

_Thessaloniki Convention Bureau_

1. Thessaloniki is a European city which has many characteristics as a city break destination; especially for the Turkish market, but that depends on the
The key characteristic for a destination to be city break is connectivity; everything else can be developed. This is the case with the Turkish market and Thessaloniki; the fact that there are 2 flights on a daily base with Turkish airlines makes Thessaloniki as a good choice for city break. Also, Thessaloniki is a second tier city, small and safe-you can walk easily on the streets, hospitable, good quality regarding its gastronomy, entertainment options and vibrant due to its student life.

2. Weaknesses: There isn’t any coordinator who can make decisions regarding Thessaloniki’s image. Thus each body makes decisions that influence Thessaloniki’s image according to its field/sector – and sometimes beyond that; even though there are not bad intentions this is the reality. The city’s strategic plan regarding its promotion depends on political interests. For example the Region of Central Macedonia has a different strategy from the Municipality. Even though there are capable people, they don’t cooperate and the result is lower than the expected. There is an overall lack of aesthetics-congestion of cars, smoking habits (public places), graffiti.

3. There is no other destination competitive towards Thessaloniki, because each tourism product is totally different and unique. Maybe competitive in terms of the city’s share in the country; tourists should start thinking that Greece has more destinations than Athens and Mykonos. The city should establish its own identity, without considering what other destinations do.

4. Thessaloniki is in the very first steps of development-baby steps.

5. The Convention Bureau was established in September 2014. So when a destination wants to be in the MICE sector has to establish a convention bureau. In other countries the corresponding convention bureaus’ belong to public authorities (i.e. Ministry of Tourism). Thessaloniki’s Convention Bureau is private-public, the fact that public administrative authority is a part of the organization makes it more flexible (i.e. faster decision making); we’re operation like private sector but we have Municipality’s support, at the same time.

6. We are cooperating with the Municipality on many levels. Also we are cooperating with the Region of Central Macedonia, with Chalkidiki’s Tourism Organization, and with Thessaloniki’s Tourism Organization which still needs time to make some steps forward.

7. It is important to establish an Organization which will continuously operating, it won’t be operating under political interests and the employees will be changing periodically; it has to be more stable and to be established from people who are involved with tourism. The structure of the existing TTO is good in terms of its public-private cooperation; this doesn’t have to change.

8. As an organization we should cooperate with such Organization but not necessarily to take part in it. For example TTO which was in charge of the marketing and the promotion of the city, should be able to support us with audiovisual material (e.g. official photos, videos, maps, web site for the city).

9. Mostly political interests.

10. Currently, in charge of Thessaloniki’s management are the Municipality, THA and SETE-Marketing Greece.
1. Thessaloniki is one of two cities (with Athens) in Greece that is promoted as city break destinations. The strategic plan which is made by NTO is promoting those two cities as city break destinations. Furthermore we have two more collective parts; TTA and SETE/Marketing Greece. The latter are business oriented; TTA wants to promote the city’s hotels which is impossible to be done if the city isn’t promoted and SETE which is the Greek Tourism Confederation and is dynamically operating with Marketing Greece. Thessaloniki’s key characteristic is its sea front and the view to mountain Olympus. The city’s connectivity is good; it has a port, airport connection with Far East through the Turkish airlines, train (e.g. InterRail) and intercity busses. Also, Thessaloniki has many cultural characteristics, nightlife, gastronomy, it’s walk-able and it’s easy for a tourist to visit nearby destinations; story-telling is easy for Thessaloniki.

2. Weaknesses: Transportation in the city (maybe due to walk-able distances it’s easier). Cleanliness and signalization. Also, Thessaloniki has an issue in terms of its recognition as a destination abroad and we have a cooperation issue, as well.

3. Barcelona, Izmir, Valencia and Napoli and because they have similar characteristics.

4. Thessaloniki is not developed in terms of tourism, so we’re in very primary stage. In order to start something you should have a marketing plan and the destination to be recognizable (e.g. what is Thessaloniki, where is Thessaloniki etc.), and have a unique identity; but all those actions weren’t completed and this was due to lack of funds. Also the marketing and promotional actions that were taken in the past weren’t in agreement with the local community.

5. There are two parts, one which is clearly administrative and the other one humanitarian. The first is concerning all the tourism related businesses which take their license from our department, we are controlling if they operating in accordance with the laws and we take their license if they don’t; overall everything that’s related to business operation. Also till 2014 we were in charge of two information kiosks (one in the city center and one in the airport) which probably will be re-operate in the following years. We were organizing familiarization and press trips and we had cooperation with NTO’s offices abroad.

6. Our personal contribution is that city’s stakeholders have our department’s full support and we’re cooperating with all of them.

7. I think that TTO is good but it should be enhanced and supported in terms of funds, data etc. TTO has responsibilities but it’s not able to support them.

8. The basic barrier is cooperation; we don’t know how to cooperate.
1. It’s a safe, affordable and easily accessible destination with 2300 years of history and gastronomy.
   - Rich, different, multi-cultural and religious heritage.
   - 15 monuments UNESCO Global Cultural Heritage
   - 6 km seafront
   - Easily accessible through air connection (i.e. Macedonia Airport) and through road.
   - A wide variety of accommodation options
   - A destination for young people with a variety of entertainment options and educational institutes
   - A destination for business travelers with a variety of convention centers
   - Accountable options for cultural activities nearby - less than an hour- the city (i.e. Vergina, Olympus etc.)

2. Weaknesses:
   - Lack of cooperation among the stakeholders in common activities
   - Lack of strategic marketing and promotion in the internet
   - Lack of information points regarding tourism
   - Lack of cleanliness and traffic congestion
   - Time schedule of various museums and market’s hours of operation
   - Lack of infrastructure in basic entrance gates of the city such as the Airport and the Port.

Strengths
   - It’s a safe and affordable destination; those two facts are incentives for tourists, students and businessmen.
   - There are opportunities for improvement and promotion to potential markets
   - There is a possibility for investments due to lack of infrastructure

3. Thessaloniki couldn’t be considered as competitive towards other similar destinations; even though it has competitive advantages as city break destination. A key characteristic that makes a destination competitive is the airline connectivity, from which the biggest part is made by LCC in Thessaloniki. Cities such as Sophia, Warsaw and small Italian and Spanish cities could be considered competitors but this shouldn’t be our target. Thessaloniki could play an important role as a destination if it combines its possibilities with other regional units.

4. Personally I believe that Thessaloniki is still in the first stages of exploration and involvement from a global perspective, and has a long way to reach the development stage. The are many stakeholders, public and private, who are operate individually, in a more targeted way, but there is no cooperative action plan for the destination, which will bring upon the development stage.
We were lucky as a destination because we have domestic tourism as our main market. However economic crisis makes extroversion towards other countries necessary, so we can reach development. Those are actions that should have been taken years ago, because Thessaloniki ha all the characteristics of a global tourism destination.

Thessaloniki’s tourism promotion and marketing organization is a nonprofit organization established in 2005 as the official tourism board of Thessaloniki’s district in the country and abroad. TTO’s members are: Region of Central Macedonia, Municipality of Thessaloniki, THA, HELEXPO, Thessaloniki’s Port, Regional Association of Municipalities, Regional Development Fund, and Thessaloniki’s Chamber of Commerce.

Every year we make the strategic plan regarding: Promotional material, Participation in exhibitions, Familiarization and press trips and additional action that concern the city’s tourism product. More specific: operation of information points, coordination of the various stakeholders in order to provide a better tourism experience to the visitors, and communication with the corresponding Ministry and Consulates to have more effective actions.

Currently TTO is re-operating (April 2005) after a long-term inactivity, with Ms. Patoulidou as president. TTO priorities, as long as the pending issues will be completed, are: operate a portal for Thessaloniki which will concentrate all the information in 4 languages (Greek, English, Russian and Turkish) and potential development of an application, print a tourism guide and a map for the city, creation of an Ambassador network which is a basic tool for promoting a destination and conducting surveys which will inform us for the advantages and disadvantages of the city from the tourists point of view.

5. Besides our members we are cooperating with: Regional Department of Tourism, NTO, TCB, Chefs Club of North Greece, Association of Travel Agents in Macedonia Thrace, Association of tour guides in Thessaloniki, Archaeological Receipts Funds, Consulates and Airlines, Ministries of Tourism and various private bodies.

6. Unfortunately, a public Organization is not able to be flexible to have the best management and promotion of the destination due to time limitations; public sector has time consuming procedures. This is the main reason that TTO was established, because it is flexible to operate as a non-profit company but public bodies are participating, as well. The most common model of promotional organizations is the one that can combine all the stakeholders – public & private- so it won’t be influenced from potential political changes.

Eudokia Tsatsouri

Thessaloniki Hotel Association

Marketing Manager

1. TTA made a special marketing department due to the lack of marketing actions for the city. Of course TTA cannot replace the TTO because it has a wider range of responsibilities and more funds. Thessaloniki was mainly
supported from domestic and corporate/business tourism however after the economic crisis those markets didn’t work anymore, thus Thessaloniki started to target incoming tourists, but it was something new for the destination. So we are trying to increase the bookings in the Association’s hotels by doing whatever we can to promote the city. Every year we are making a marketing plan, based on the city’s characteristics, based on the statistics, on the staying nights and on new markets’ characteristics and trends we set new target markets. We are mostly participating in exhibitions (Europe and Asia), we are organizing press trips and hosting some bloggers. Also we are hosting some travel agents; usually we are cooperating with the corresponding NTO’s departments from abroad and we’re organizing B2B workshops, one day excursions and we bring domestic tour operators who participating for more effective results.

Mostly we are promoting Thessaloniki as city break destination but as a hub, as well. So the group of travel agents can have Thessaloniki as a base and make one day excursions to nearby destinations and Halkidiki; we are trying to establish Thessaloniki as a tourism destination because the last years similar trips never made it to the city. Those actions are long term (i.e. three years) and hopefully after that time we will set new target markets.

2. We always promote History culture, gastronomy, nightlife. We cannot give to the destination since it’s multicultural and has many identities. However depending on the market for example Jewish, we have different approach in the promotion.


4. As Association we are cooperating with everyone, more actively with the Municipality’s Tourism Department (participating together in exhibitions, giving flyers and provide information), then with the Region of Central Macedonia, and with TTO but not so actively since it just started to operate. Also we are cooperating with the Association of travel agents and with the Association of tourism guides, and with Marketing Greece/INSETE.

5. Our main competitors from abroad is Italy and Spain, Mediterranean countries similar characteristics, (Rome, Milan and Barcelona). Balkans are gaining ground as well but they are not that competitive yet.

6. We are close to development and maybe we are approaching consolidation. The city’s main stakeholders are making intensive actions the last five years. Many tour operators have already started to include Thessaloniki as a destination.

7. I believe that it should be a combination of public and private in terms of structure. The existing organization TTO is adequate enough, we don’t have to establish a new organization; however it needs support and to have a more clear character because there are many stakeholders participating in this organization and it should be an umbrella for all of them; to unite all the bodies; but it has to manage it right. In order to have more effective management, I think that private sector should take the lead.

8. There are many barriers; since there are a lot stakeholders and they have different opinions especially on how a tourism organization should be
structured. Thus there should be an organization to unite all of us-stakeholders.

9. Currently no one has this coordinating role. TTO should On the one hand we are trying to make some actions but individually, however we are targeting the same markets, having the same goals. Each one is completing the others actions, we don’t operate in a competitive way. But all those actions could be organized in a different way so we could make bigger/greater actions.

Dedeoglou Polu

Owner

Grand Hotel Palace

1. The city of Thessaloniki has a “versatile identity” which combines many features. It is a city with a historic interest, monuments from Ancient and Modern history, it’s a gastronomic destination that unites West, East and Mediterranean. Also, it has a vibrant nightlife, commercial centers and combines urban and natural beauty since it has nearby areas for both winter and summer tourism.

2. Weaknesses: lack of airlines’ connectivity with other European cities; which is depriving inbound tourists from the city, malfunction and not adequate connection of the city with other popular destinations, several strikes regarding public sector.

3. The city can be competitive towards cities such as Barcelona, Istanbul, Budapest, Prague etc. since they have similar historical and cultural heritage. However it should be pointed out that those cities are more organized in Thessaloniki’s weak points considering both public and private sector.

4. Currently Thessaloniki is in the Consolidation Stage. There are many actions taken from the Region and Municipality in cooperation with private bodies for Thessaloniki’s promotion.

5. We have two 5 star hotels, Mediterranean Palace and Grand Hotel, offering to our visitors high quality accommodation options with 384 rooms in both hotels, gastronomy with certified Greek breakfast and international cuisine. Also we have contemporary convention centers with 4000 people capacity in the 15 rooms of both hotels.

6. We are cooperating with the Region, the Municipality, the THA and Hotel Chamber for many years.

7. Establishment of a DMO would solve many management related problems that public sector has. Taking into consideration that its operation would be oriented in city’s promotion there would be several advantages in a cultural and economical level. It will contribute to conservation of public, private and European resources, through their optimization it will led to economic development and attract new investments.
8. The love of the citizens and private initiatives, establish Thessaloniki as one of the most favorite destinations regarding city tourism. Thus our participation in such organization would enhance those actions.

9. History has shown that whenever there are many opinions it is hard to come in agreement. In the case of Organization many opinions would create delays in the goals achievement; now Thessaloniki needs individuals with determination, fairness and love for the city.