The development of Halkidiki through luxury resorts: The case of Sani Resort

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SCHOOL OF ECONOMICS, BUSINESS ADMINISTRATION & LEGAL STUDIES
A thesis submitted for the degree of Master of Science (MSc) in Management

October, 2017
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.

October, 2017
Thessaloniki - Greece
Acknowledgements

I would like to take the opportunity to thank my whole family for the continuous support. My grateful thanks are extended to my thesis supervisor Dr. Eleni Mavragani for the guidance throughout the making of this paper, as well as, Prof. Costas Andriopoulos for his mentoring related to my research.

Also, I am thankful for my fellow graduate students who have provided me with advice and encouragement throughout my program of study. I am also grateful for my friends, colleagues, and the departmental faculty and staff for making my time at International Hellenic University a wonderful experience.

Kalliopi Visokali

October, 2017
Abstract

The current study focuses on analyzing and presenting the development of Halkidiki as a geographic area, caused by the luxury hotels and especially Sani Beach Holiday Resort.

It is based on the expertise, opinions and recommendations of tourism executives, professionals, management tools and strategic planning bibliography, as well as, on primary and secondary data that was collected and analyzed in order to provide findings and conclusions.

The main advantage of this research is the approach of the specific analysis from the author’s perspective, as a traveler and as an employee on the Tourism sector and especially as an employee in Sani Resort. An analyst from the hotel’s internal environment, with everyday working experience can better analyze and describe the advantages of travel and tourism in the area of Halkidiki.

To this end, the research presents the progress of Halkidiki as a region, affected by the increased tourist movement. The internal and external factors that led to the development will be examined in order to show that luxury resorts and especially Sani Resort can affect positively a geographical area and highlight it. Through the interviews and the questionnaires that were answered by employees in the tourist sector, the research purpose of my dissertation is to highlight the contribution of tourism industry to the area of Halkidiki and this will be achieved through the interviews and the questionnaires that were answered by employees in the tourist sector, as well as, through research tools and the individual objectives are to provide some ideas through TOWS Matrix for the greater development of the area.

The stages of the dissertation will start with an analysis of the idea of tourism and its alternative forms. Then, the history of Halkidiki, as well as, some statistics from the 2017 summer season will be analyzed. Then the author will move to Sani’s history, its departments and hotels, including the new hotel Sani Dunes and Sani’s Festivals. The author will sum up through the analysis of the questionnaires, along with the SWOT, TOWS, Porter’s Five Forces, Pestel Analysis, EFE and IFE Matrix.
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Introduction

This paper is composed as a dissertation for the MSc Management program of the International Hellenic University. The objective of this paper is the analysis of the development of Halkidiki as a geographical area and as a tourist destination, caused and affected by the luxury hotels and especially Sani Resort.

There is no doubt that the tourism industry plays a significant role in the Regional Unity of Halkidiki, with the increased number of visitors, as well as with its financial contribution to the economy of the area and the jobs it creates. Halkidiki has a large touristic season that counts 120-150 days per year depend on the weather but most of the hotels open before Easter period. Also, an extension on the period is attempted to 180 days, promoting Halkidiki as a “city break”.

Halkidiki’s tourism is based on the combination of “Sun & Sea”, with the main features being relaxation, sunbathing, swimming, water sports, landscape and nature observation. Gastronomy and cultural history are among interesting features.

In co-operation with Thessaloniki, further development of air-links with target markets such as Scandinavian countries, attracting more travelers and tourists, as well as new airlines, and connecting to new destinations.
Literature Review

This study is based on the academic literature written about the tourism industry and how this industry can actually affect the geographical areas, through the creation of luxury resorts. For the conduction of the study the author of this paper used several traditional strategic techniques.

With the passage of time and following the evolution, geographical areas around the world have evolved and developed, influenced by the creation of small or large enterprises and businesses. The creation of any kind of business can offer a significant contribution to the image of a geographical area. Noteworthy is the difference between areas that are business developed, compared to those who are not so much exploited.

A significant example is the area of Silicon Valley. Silicon Valley is the home for many of the world's largest high-tech corporations, including the headquarters of 39 businesses in the Fortune 1000, and thousands of start-up companies. The name of Silicon Valley has become a global synonym for leading high-tech research and enterprises. After the dot-com crash, Silicon Valley continues to maintain its status as one of the top research and development centres in the world (BW Research, 2016). In 2006, a Wall Street Journal story (John Markoff, 2009) found that 12 of the 20 most inventive towns in America were in California, and 10 of those were in Silicon Valley. According to a 2008 study by AeA (American Electronics Association) in 2006, Silicon Valley was the third largest high-tech centre (cyber city) in the United States, behind the New York metropolitan area and Washington metropolitan area, with 225,300 high-tech jobs (Elizabeth Eaves, 2007). Furthermore, traditional industries also recognize the potential of high-tech development, and lots of car manufacturers have opened offices in Silicon Valley to capitalize on its entrepreneurial ecosystem. As a result of this huge development, the high employment rate created the need of more houses in order to accommodate the citizens with the housing prices to be extremely high, far out of the range of production workers.

Yet another notable example of a fast-developing city is the Shenzhen in China. Shenzhen was a market town of 30,000 but that changed around 1979 when Shenzhen was promoted to city-status and in 1980 designated China’s first Special Economic Zone (Isaac Stone Fish, 2010). With the entry of China into the World Trade Organization (WTO), Shenzhen City plans to go above and beyond the Chinese
government's commitments for opening up, to become an example of success in the new market economy, according to Mayor Yu Youjun (Xinhua News Agency September, 2002). Shenzhen's modern cityscape is the result of its vibrant economy made possible by rapid foreign investment since the institution of the policy of "reform and opening" in late 1979 in which SEZ (special economic zones) established. This city is the “home” of numerous home grown multinational well-known companies such as Huawei, Shenzhen Airlines, ZTE, China Merchant Bank and so on (Tom Whitwell, 2014).

After mentioning examples of cities that were created entirely by businesses and made understandable how businesses help to highlight areas, the writer will refer to the importance of hotels in a region and what advantages are brought up. Tourism helps the visitors to get acquainted with the culture, customs and conventions, language and mode of living of the local people. Tourism thus liberalizes their mind and helps the people to strengthen the bonds of friendship, international understanding and co-operation. According to Stephen Page (Tourism Management, Management for Change, 2003, pg 329), “tourism is used by many national and local governments as a mechanism to help to the development and revitalization of economies. This is because political and decision-makers see that tourism offers new jobs, income and revenues for the local economy”. According to the book of Richard Sharpley and David J. Telfer, “Tourism and Development: Concepts and Issues (Chapter 2, pg 35, 2002)”, development theory and tourism have evolved along similar time lines since the Second World War. Countries around the world are turning to tourism as a strategy for development.

Tourism is inextricably linked to the human free time. Tourism activities represent a sense of psychological freedom. Tourism aims to remove humans from the daily routine and to seek out new experiences that will rest and calm them down. The most important element of tourism is the fact that it is characterized by massive and continuous human flows in more and more parts of the planet, while it is the primary way of personal human contact between the people. The most important reasons that lead someone to travel and visit different places will be referred below:

- need for change, relaxation and familiarity with new places, culture and ways of life
- cultural and social trends, the collection of touristic experiences, according to the trends of the era
• special interests: scientific interests, artistic activities, conference activity, hobby, sports, health

Tourism as a basic need of humans influences the social and the political life in an organized society. Some of the positive results are below:

• New job opportunities, reducing the unemployment
• Contribution to a raised income at individual, regional and national levels
• The positive effect on the socio-psychological level
• Communication among people from different countries
• Reduce of racist ideologies
• Improvement of living standards

Alternative forms of tourism are known all-over the world, always depends from the destination. Some alternative forms are below:

• Agrotourism
• Archaeological tourism
• Gastronomic tourism
• Educational tourism
• Religious tourism
• Spa tourism
• Wine tourism
• Cultural tourism

Some interesting facts will help in order to understand the significant change in the touristic area. In 1950 the number of international tourist arrivals was 23.5 million while in 1993 it was over 500 millions. For 2006, tourist arrivals at world level reached 842 million while in 2016 it reached 1.2 billion according to the UNWTO Annual Report (World Tourism Organization, UNWTO Annual Report 2016).

The advantages of tourism in a destination’s development can be reflected on the development of India. In October 2015, India’s medical tourism sector was estimated to be worth US$3 billion. It is projected to grow to $7–8 billion by 2020 (Press Information Bureau, Government of India, Ministry of Tourism, 2016). In 2014,
184,298 foreign patients travelled to India to seek medical treatment. The government of India, having understood the importance of tourism to the country, is trying to develop its facilities even more. The Natural Tourism Board and the Tourism Finance Corporation of India have been working in full swing to bring about the improvement of tourist centres in India. This will immensely economic benefits to the regional people. Through the “World Travel & Tourism Council: Travel & Tourism Economic Impacts 2017 India” report, Travel & Tourism's total contribution is much greater, and aims to capture its indirect and induced impacts through its annual research.

(WTTC, Economic Impact 2017, India)

The contribution of travel and tourism as referred above is significant. Contribution to the economy of countries referring to the revenues, to the employment, including hotels, travel agents, airlines and other passenger transportation services. Though, the most valuable contribution of travel and tourism is the communication of the people to be familiar with other, different cultures and civilizations.

With the start of industrial revolution, which brought gigantic innovative progress to the world, including invention of long distance transportation vehicles like ship, hotels begun to be built all across the Europe and U.S. Luxury hotels were defined by large size, tasteful aesthetics, cleanliness, high quality food and prime location and additionally, the protection and the security they enjoy. In the book there was an interesting description of what the highest achievement of a first class hotel should be like, which is that “each guest may easily fancy himself as prince surrounded by a flock of courtiers” (Class Acts: Service and Inequality in Luxury Hotel, Sherman, pg 26 ).
With the passing of the years a great change in luxury resorts is obvious. Considering as a fact the excellent location, comforts, extra-ordinary amenities and outings services, more importance is given to the personal contact between staff and the travelers, making them feel unique and important, along with the provision of services and facilities.

Furthermore, an important example of a region’s development is the area of Messinia in Greece and its upgrading through the luxurious resort that was created, Costa Navarino. This operation started in 1997 and until now the total economic impact of the operation of the Costa Navarino in Greece is estimated to reach 1 billion Euros. Based on the results of the latest survey that was conducted, Kalamata’s airport is now one of the most developed airports in the country due to the operation of the tourist complex. After the completion of all the resort's phases, the indirect job positions that was created were around 5500 thousand either to serve the investment or to serve the growing demand from visitors. According to a market survey for every 1 euro spent on Costa Navarino, 1.65 Euros are spent outside the complex. For only 2016, direct revenue from visitor growth in Messinia is estimated at € 17.5 million. In addition, the secondary impact of revenue on the local economy is estimated at an additional € 28.8 million.
The History of Halkidiki

In the following chapter Halkidiki as a region will be highlighted. From the very past history of Halkidiki, to the touristic flows that visit the specific area. Also, some interesting data for the year of 2017 will be referred, as well as, a new mechanism that was created by Hotel Association in cooperation with the MKG group of consultants for collection of more accurate data. Also it is very important the reference to the investments that have been made in the area of Halkidiki and especially to some luxury resorts. The chapter will close with the value of luxury resorts in the area of Halkidiki.

Halkidiki with a few words

Halkidiki is a region of Macedonia with the population around 105,000 residents, and is geographically the end of Central Macedonia in the Aegean Sea, which penetrates deep into it, forming three peninsulas, giving the region its characteristic shape ("Halkidiki's feet"). The three peninsulas are: Kassandra, Sithonia and Athos peninsula. The Athos peninsula is forbidden for women, as it hosts the worldwide famous monastery of Agio Oros. Halkidiki’s capital is Poligiros with 6,121 permanent residents.

Halkidiki is a rich geographical and natural area with a variety of rocks and minerals. The visitor can make a "mining tour", through specific geographic routes where the traces of mining activity are scattered from the recent past and see features from its rich subsoil.

The total length of the coasts of Halkidiki extends to more than 800 km, also the lack of rivers and industries contributes to the clarity of coastal waters, which is considered unique in Europe.

Halkidiki offers activities for everyone. Endless beaches, pine forests, dreamy hotels, small seaside villages with fish taverns, beach bars in coves, archaeological places with great history and the Petralona cave in Kassandra. Halkidiki is a “small wonderland”.
Touristic flows of Halkidiki

The tourism industry plays a very important role in the region of Halkidiki. From 1990 there is a continuous increase regarding the flows. The main markets from where the tourists come from are Russia, Europe and especially Germany, the United Kingdom and Italy and of course the Balkans, where in recent years there has been a large flow of tourists from the Balkan countries.

Secondary markets are Belgium and the Netherlands, as well as the Greek domestic market, while the type of tourists visiting Halkidiki is families, couples, youth and the elderly.

According to Mr. Tassios (Grigoris Tassios 2017), President of Halkidiki Hotelier Association “2017 is a great year and the average occupancy in hotels for September is 75%, it will have a better recovery next time with last minute bookings, and we will have a longer season. The season was traditionally closed on October 7-10, and this year it will go up to October 15th. ”

Tourism in Halkidiki (2017)

The year of 2017 was a record year for Halkidiki according to the local organizations and representatives of tourism. In Halkidiki it is estimated that by the 20th of October there will have been over 1.500.000 million tourists. The increase observed in the hotel nights is around 10%.

In order to make the research more accurate, some statistics will be referred by the author from the Association of Greek Tourist Enterprises (SETE). The arrivals to Macedonia Airport for the last years were (SETE):

- 2017 - 1.379.843 (statistics until August)
- 2016 – 1.291.643
- 2015 – 1.479.244
- 2014 – 1.479.696
- 2013 – 1.351.818

Until 2016 the images of the refugee-immigrant crisis in Greece were the first issues in all around the world. This year, these images are no longer featured in the news and the turmoil in Turkey brings more tourists to Greece. The bookings for 2017, compared to 2016, mark an increase of 20%.
"It is a good year that surpasses the numbers of 2016. There is a favorable conjuncture with the security of the country compared to Turkey. Greece is a safe country, and this is probably the big bet for 2018”, said Mr. Tassios (Grigoris Tassios, 2017), marking a good year in turnover, but with fewer profits for businesses, with 29% tax on use plus all charges, 15 % of the VAT on the stay and 24% on the rest ”.

The collection of statistics and improvement of service through a new mechanism

The Halkidiki Hotel Association in cooperation with the MKG group of consultants created the monthly Market Observatory specializing in tourism and hospitality. The need of more accurate statistics and data, which can lead to a strategy with targeted actions, has led the Halkidiki Hotel Association to set up a monthly Market Observatory in cooperation with the MKG group of consultants, specialized in tourism and hospitality.

According to the first collected data from the reservations so far, the tourism in the region of Halkidiki is moving upwards with a 15% increase compare to the same period last year. The average occupancy recorded for May-October already reaches 60%, compared with 40% in the previous year.

Investments in the tourist sector in Halkidiki

Tourism is the "heavy industry" of Halkidiki, as it’s claimed by residents and travelers. This phenomenon has been observed for years, and the last period has become more obvious. The investments exceed the amount of € 430 million and in most cases concern the creation of luxury accommodation throughout the area of Halkidiki. In any case, Kassandra is favored by its proximity to Thessaloniki’s airport and its infrastructure projects.

Halkidiki has all the potentials to become a tourist destination of added value. The two major strengths are the air connection via the Macedonia Airport and the fact that it is very close to Thessaloniki. Thus, the tourist can combine holidays and visit the city. The biggest investments will be referred below.
Eagles Villas

The hotel group TOR HOTEL GROUP (Eagles Palace, The Excelsior & City Hotel) creates its fourth-largest hotel, Eagles Villas, a self-contained complex, built on an area of 70 acres, just above the historic Eagles Palace hotel in Ouranoupolis, Halkidiki. Its operation started in May this year and consists of 40 villas, seven different types, from 65 to 140 square meters. The 100% Greek investment of the Tornivoukas family reached the amount of 11 million euros and offered approximately 70 new job positions.

Sani/Ikos

The group that consists of Sani SA and Ikos SA implemented investments in Halkidiki that reached the amount of 45 million euros. The main shareholders of the Group are Stavros and Andreas Andreadis and investment funds managed by Oaktree Capital Management L.P. The investments relate to: a) the creation of a new 5-star hotel in an area of 41 acres (in a neighboring property at Sani Resort) under the name Sani Dunes. The hotel has a capacity of 136 junior suites and rooms and the operation began this summer, b) an investment program at the Sani Club hotel complex and c) a complete reconstruction of the 298 rooms of the Ikos Oceania hotel in Nea Moudania, Halkidiki.

Med Sea Health / Mare Village

The first step was the completion and operation of the 5-star Miraggio Thermal Spa Resort in the region of Paliouri, from the Mediterranean-owned Med Sea Health SA, with Greek and Russian investors. The second investment step on the adjacent area, which absorbed funds of 80-100 million, is the Mare Village, with 150 holiday houses and 32 suites.

Due to such investments and many others, we can reach the conclusion that the most important source of revenue for the Halkidiki region is tourism. One of the greatest advantages of Halkidiki is the easy connection to the Macedonia airport and the possibility of visiting also Thessaloniki. The hotel-owners of Halkidiki hope that the summer season will grow and that the multi-use visa will help travelers to visit the area even during the winter period.
The value of luxury resorts in the area of Halkidiki

Luxury resorts are known to everyone. Offering everything that the tourists may wish in terms of services and facilities, leave satisfied even the most demanding traveler. The luxury hotels especially in the area of Halkidiki are growing at a fast pace.

Large hotels, resorts, hostels, houses for rent, villas. Infrastructures specially designed for children of all ages, family suites with all the comforts, water slides and children’s pools, as well as the breathtaking sea. Gardens with playgrounds, beach volleyball and tennis courts, basketball and mini golf. Activities like cooking, dancing, handicraft courses. Meals specially made for young visitors from around the world and entertainment programs designed to spend their free time.

As the area of Halkidiki is developing as a region and the hotels and resorts are evolving, Halkidiki will remain and will upgrade into a higher preference for travelers and, of course, the very fast pace of development of the luxury resorts has contributed to the development of the whole area. In Halkidiki there are over 40 luxury resorts and villas, among them some great resorts like: Sani Beach Holiday Resort (5 hotels-villages), Mirragio Thermal Spa Resort, Pomegranate Wellness Spa Hotel, Ikos Oceania, Porto Carras Sithonia. Offering exactly what the travelers are looking for. The very great development in recent years as a fact is obvious and the recognition of Halkidiki among the top destination is growing, up scaling among the preferences of travelers from countries around Greece and even from distant countries.

It is a tourist attraction for travelers even from distant countries, seeking to enjoy the sun and the luxury offered. From these resorts are well-favored, also the areas and villages around them, since travelers also visit these places to get to know local beauties. Below the history and the beginning of Sani Resort will be analyzed.

In this chapter, the history of Halkidiki and the touristic flows were mentioned. Also, some data about the tourism in 2017 were highlighted, revealing the significant change in the area and a reference about a new mechanism in order to collect more accurate statistics is made. The very important fact though is the investments that were made in some of the most expensive luxury resorts, aiming to attract more travelers. Furthermore, the readers have a general idea and image about the luxury resorts in Halkidiki.
Sani Resort

In the following chapter, we will be familiar with the Sani Resort. Its beginning, from the very past, Sani’s festivals as well as the departments of the resorts that contribute to the better service of tourists. But the most important part of Sani’s history is the competitors. Always the most significant part of a business are the competitors, because the competition is the factor that lead a business to be more successful and innovative in order to compete in value.

Sani Resort from its beginning

Sani Resort is located on the magnificent Kassandra peninsula, stretching over more than 1000 acres of fragrant pine forest, olive groves, golden beaches and crystal clear waters. It was the dream of two men almost 30 years ago, and today ownership remains with their families, who have a stronger than ever commitment to protect the beautiful environment for future generations.

This magnificent resort in Halkidiki is a family success. The parents of the present owners had built in Halkidiki the 4500 acres resort with views of Mount Olympus and the Aegean Sea. The father of Anastasios Andreadis, along with his partner, literally turned the abandoned place into an idyllic landscape. In 1971 the first hotel is reality, the Sani Beach. After about two years, the large hotel, the Sani Beach, was built, but due to unstable political circumstances it remained for a few years incomplete. Eventually it worked after 13 whole years.

The complex includes Sani Beach, Sani Club, Sani Dunes, Porto Sani and Sani Asterias Suites. The marina of the complex as well as the luxurious villas that have been created in the wider region of Sani constitute the first area of integrated tourism development in the country (Sani Official Site).
**Sani Hotels**

Five hotels are currently counted in the Sani area. Sani Beach, Sani Club, Sani Dunes, Porto Sani and Sani Asterias Suites.

*Sani Beach* counts 134 double rooms, 112 junior suites, 8 junior suites panorama, 32 family rooms, 20 one-bedroom family suites, 35 two-bedroom family suites, 5 one-bedroom family suites beach front, 5 two-bedroom family suites beach front, 3 deluxe one-bedroom family suites and 6 deluxe two-bedroom family suites with a contemporary style and an exclusive terrace.

*Sani Club* counts 82 double rooms, 15 deluxe double rooms with private garden, 40 family rooms, 36 junior suites with private garden, 4 one-bedroom bungalow suites with private garden, 8 one-bedroom bungalow suites with private pool, 14 two-bedroom bungalow suites with private garden and 13 two-bedroom bungalow suites with private pool with a contemporary design and a view across the ocean.

*Sani Dunes*, the newest hotel in the resort counts 46 double rooms, 10 family rooms, 24 junior suites with grand balcony, 30 deluxe junior suites with private garden, 12 deluxe panorama junior suites, 4 deluxe panorama junior suites with beach front and 10 deluxe junior suites with private garden and beach front with sophisticated and elegant style.

*Porto Sani* counts 10 marina junior suites, 74 suites with terrace/balcony, 10 deluxe suites, 11 two-bedroom family suites, and 4 three-bedroom family suites with a natural wooden style.

*Sani Asterias* counts 16 junior suites, 23 suites, 4 deluxe suites, 4 deluxe family suites, 2 two-bedroom family suites, 1 deluxe family suite with beach view and 5 three-bedroom deluxe suite with private pool, all suites with contemporary Greek architectural style and a great sense of luxury and wealth.

Significant is the fact that a few Trip Advisor Awards have been awarded to Sani Hotels (Trip Advisor Travelers Choice Award Sani Beach Club). Sani Beach has been awarded as one of the “25 Top Luxury Hotels in Greece” for 2016. Sani Asterias has been awarded as one of the “Top 25 Luxury Hotels in Greece” for 2016. Moreover, for year 2015, as one of the “Top 25 Hotels in Greece. Porto Sani has been awarded as one of the “25 Top Luxury Hotels in Greece” for 2016. Sani Club has been awarded by Trip Advisor as one of the Top 10 Hotels for Families in the Word, one of
the best 10 Hotels for Families in Europe and the Best Hotel for Families in Greece for year 2016.

**Sani Festivals**

Sani Festival, Sani Gourmet and Sani Eco-Day are the three festivals which are hosted every year in the resort. Sani Festival takes place during July and August while Sani Gourmet can be enjoyed by guests usually during the third week of May.

Communication between tourism and arts, between Greek and foreigners is the idea. Singers and artists from all over the world are invited to one of the most recognizable events.

Sani Gourmet, a gastronomic celebration, with the finest chefs from Greece and around the globe who bring their passion and their culture to this event. Over the ten days, guests are also treated to a number of workshops, presentations and wine tastings. Sani Eco-days, also a festival which attracts a significant number of travellers from all around the world. Traditional products from Halkidiki and fun-eco activities at the majestic Sani Marina.

**Sani Marina**

Sani Marina is one of the best marinas for the Aegean, offering all the facilities and the services demanded. Sani Marina offers the ability of a luxurious accommodation in the suites and the stunning array of chic boutiques offering an exclusive selection of top international brands and sophisticated dining and nightlife.

**Sani’s departments**

The organizational structure of an enterprise discloses the position of each employee in terms of responsibility, authority, but also communication and cooperation with other colleagues.

The sections of Sani Resort are the following:

- Reception
- Concierge
- Floors, rooms cleaning check
- Linen closet
- Restaurant
• Kitchen
• Maintenance
• Accounting department
• Control across the range of hotel activities
• Guest Relations, Customer Service and Troubleshooting
• Legal Service, cover all legal matters of the company
• Human Resource Management
• Safety

Sani’s Major Competitors

Always, when refer to a business the first thing that comes in mind is the competitors. The presence of one or more competitors can reduce the prices of goods or services at the companies attempt to gain a larger market share.

Now, some of Sani’s competitors will be referred below (Luxury Hotels Guides, 2017):

<table>
<thead>
<tr>
<th>COMPETITORS</th>
<th>GUEST RATING</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ikos Oceania</td>
<td>9.60</td>
</tr>
<tr>
<td>Danai Beach Resort &amp; Villas</td>
<td>9.40</td>
</tr>
<tr>
<td>Pomegranate Wellness Spa Hotel</td>
<td>9.37</td>
</tr>
<tr>
<td>Athena Palace</td>
<td>8.64</td>
</tr>
<tr>
<td>Aegean Melathron Thalasso Spa Hotel</td>
<td>8.29</td>
</tr>
<tr>
<td>Miraggio Thermal Spa Resort</td>
<td>8.00</td>
</tr>
<tr>
<td>Porto Carras Melliton</td>
<td>7.90</td>
</tr>
<tr>
<td>Porto Carras Sithonia</td>
<td>7.10</td>
</tr>
</tbody>
</table>

Table 1: Sani’s Competitors

All these hotels-resorts are Sani’s major competitors. The guest rating is also high. The important result is that for now the major competitor is Ikos Oceania, which belongs in the same group with Sani. Though, Ikos is still a competitor with its rating really close to Sani’s which is 9.50.

In this chapter, the author tried to get the readers familiar with Sani Resort from the very beginning. The hotels, the festivals, the area of the marina and the departments were analyzed in order to be familiar with the value of this resort. Furthermore, big emphasis was given to Sani’s competitors, including all the big resorts in a small distance.
Methodology, Data generation and Collection

The purpose of this study is to analyze the development of the region of Halkidiki, affected by luxury resorts and especially Sani Resort. In this paper the author included an analysis of the methods and tools that are used for the study, as well as an assessment of the results of the analysis. Furthermore, analysis has been done through the use of traditional tools.

Research Methods

The method that had been used in the dissertation by the author is the mixed method. The author chose the mixed method in order to explore a phenomenon, which in this case is the development of Halkidiki as an area, caused by the presence of Sani Resort. Questionnaires as well as personal interviews and the author’s working experience in hotels are included in the dissertation.

Questionnaires

For this research, data was collected via questionnaires shared electronically to employees in the tourism sector, people that have an actual experience in hotels, travelers, as well as to people with “key” positions in Sani Resort and working staff from the Macedonia Airport. The questionnaires were distributed to employees in Greek language in order to avoid any misunderstandings. The questions presented below have been translated. All questions and answers can be found at the Appendix.

Interviews

Interviews are one of the most important data gathering techniques for qualitative research in business and management. Interviews allow the researcher to gather data from people in different roles and situations. Depending on the purpose of the study, the interview may vary. It can be an interview with an individual or with a small group of people. There was a problem with the collection of interviews because the response rate was not the expected. The two interviews contained in the dissertation project, come from employees of the Macedonia Airport.

Written Sources

Written sources are useful for the author in order to provide some historical data about Sani Resort and the historical background of the organization. Plenty of written sources have been used in order to collect information about the resort as well as articles referring to Sani Resort.
Data Analysis

Using the methodology mentioned in the previous chapter, internal and external environment analysis of the organization were conducted. The results presented below are subject of personal analysis of the author after taking into consideration personal observations, discussions with the involved staff and analyzing the specific case study. The aim of the data analysis is to integrate and compare data in order to end up with conclusions.

Basic tools like SWOT, TOWS, Porter’s Five Forces, Pestel Analysis, EFE and IFE will help the author analyze the value and the development in the area of Halkidiki that is due to the luxury resorts.

Questionnaires

The researcher’s investigation providing answers to the research questions for which it is undertaken. The research provides these answers using appropriate methods and procedures. All questions and answers can be found at the Appendix.

Age Group (101 answers)

The results indicated that the most of the respondents are females, in the age of 18-40 years old. The majority (66,7%) are highly educated (Technological University Degree or Postgraduate) and currently work in non-managerial positions.
Are you aware of Sani Resort? (101 answers)

An extremely big percentage (95%) knows Sani Resort. Also a big percentage (98.9%) answered yes when they had been asked if they have ever visited Halkidiki.

Do you think that such resorts help to increase job positions? (101 answers)
(1=Not at all, 2=A little, 3=Maybe, 4=Yes, 5=Totally agree)

The answers were given in a scale among one to five with one equals to “Not at all” and five equals to “Totally agree”. The three biggest percentages are 34% that is the scale of five. 34% of the respondents believe that Sani Resort and other similar resorts help to the increase of job positions in the region of Halkidiki. 31% believes it also but they are not so sure and 25% are somewhere between. Furthermore we must give our
attention to the big difference among the percentages 34% and 2% because there is a big divergence. So the results are positive with the majority to agree that the creation of new job positions is reality.

_Do you think that Sani Resort attract a big amount of travelers? (101 answers)_
(1=Not at all, 2=A little, 3=Maybe, 4=Yes, 5=Totally agree)

Almost the half of the respondents (48%) believes that Sani Resort attracts enough customers and the 38% have some doubts but they are positive also. Again we can see the big difference between 48% and 1% among the answers.
Do you think that Sani help to the increase of the visiting to nearby areas? (101 answers)

Πιστεύετε ότι το Sani αυξάνει την επισκεψιμότητα των γύρω περιοχών (Νέα Φώκια, Άθωνος, Ποτίδαια, Νέα Μουδανία)?

101 απαντήσεις

Graph 5 – Increase of visiting to nearby areas distribution

Once again the majority said that the creation of such hotels like Sani Resort help the nearby areas of the resort because the travelers also like going to these areas because they want to see something different of the resort.

Do you think that there is a black spot in the creation of such resorts in that area? (101 answers)

Πιστεύετε ότι υπάρχει κάποιο μελανό σημείο στη δημιουργία τέτοιων resorts όσον αφορά τη περιοχή?

101 απαντήσεις

Graph 6 – Black spots in luxury resorts distribution
Most of the respondents said no but the percentages are really close and the next question is that “If you answer yes, what do you think that is the black spot”. The main answers are:

- Such types of hotels restrict travelers to the resort with the result that they do not travel to the surrounding areas
- The exploitation of the work force
- The market of the surrounding areas is not strengthened
- The problem is when there is no balance between hotel units and individuals who want to enjoy the beach without paying sun beds, entry and other services
- Increase mass tourism to a specific place only
- The privatization of the beach and the surrounding area

Raising this question the answers that had been given from the majority was that this kind of resorts offers everything from services to entertainment and the result is the travelers to stay in the resort and not visit the nearby areas. One more answer is the exploitation of the work force. The majority of the employees are students from abroad who don’t speak Greek and the communication with the Greek travelers is difficult and there are no job positions for Greek work force.

*Do you think that Sani Resort has a positive impact on the emergence/development of Halkidiki? (101 answers) (1=Not at all, 2=A little, 3=Maybe, 4=Yes, 5=Totally agree)*

![Graph 7 – Belief of the development distribution](image)
When the respondents were asked if they believe that Sani Resort is helping on the development of the region, 25.8% said yes but this is not the biggest percentage. 40.9% gave a score of 4 which means that they are not so confident that the development is obvious and that maybe there is yet some space for improvement. The last question is “Do you believe that Sani Resort has a positive effect on the revenue’s growth of the region?” and again with the scale of one to five with five equal to “totally agree” there are three similar answers.

Do you believe that Sani Resort has a positive effect on the revenue’s growth of the region? (101 answers)
(1=Not at all, 2=A little, 3=Maybe, 4=Yes, 5=Totally agree)

As it was mentioned before three questions out of five are similar with the percentages to be really close. That means that with small doubts or not the majority believes that Sani Resort has a positive effect on the growth of the revenues of the Halkidiki’s region.
Mission, Vision & Values

Mission and Vision are important in the strategic management process because they set the Fundamental organizational purpose, organizational values and the overall goals and objectives of the organization. Establishing the mission, the vision and the values is an ongoing process of review to ensure that the industry is still relevant for the current challenges of the tourism industry. It is fundamental and valuable for an industry to create their own mission, vision and values because it is really useful at the start of their strategic planning.

For the specific organization the mission is to create value in every encounter, with the owners, guests and associates.

The vision of Sani Resort is simple. Exceptional and personalized service, exceeding expectations and bring the people together through the Greek hospitality.

The values of the resort are: exceptional service, respect, teamwork and passion, continuous improvement.

SWOT Analysis

A SWOT analysis is a planning tool used to understand the Strengths, Weaknesses, Opportunities and Threats, involved in a project or in a business. It involves specifying the objective of the business or project and identifying the internal and external factors that are supportive or unfavorable to achieving that objective. SWOT analysis is often used as part of a strategic planning process. SWOT is an acronym for Strengths, Weaknesses, Opportunities and Threats. Its origin is credited to Albert Humphrey and its usability is great, for workshop sessions, problem solving, planning, product evaluation and competitor evaluation. It also reveals competitive advantages, analyze the prospects for sales and profitability and prepare the industry for problems that are coming (SWOT Analysis, Investopedia).
**Strengths:**

The combination of the strong brand name of the resort and the beautiful/ideal location lead the location to be developed, attract more travelers. Under any other circumstances only a few would know the area. Because of the mass attraction of travelers, the growth of the revenues is a fact which is helpful for the nearby villages, where the main source of revenue is the tourism from the resort.

When someone is asked which is the first resort that comes to mind in Halkidiki, the first answer among the majority is Sani Resort. Sani Resort helped to the recognizability of the area of Halkidiki and the result is the opening of new restaurants/cafes in order to take advantage of the travelers who are staying in the resort, and the reformation of the area in order to be more attractive and to offer more services.
Weaknesses:

As a former employee of Sani Resort, the first thing that is obvious is that the travelers prefer to stay in the resort which offers everything instead of going to the nearby villages. Sani Resort because of the marina offers restaurants, cafes, ice-cream shops, souvenir shops and also there is the capability of shopping luxury brands. Also there are nightclubs and bars with a magnificent view of the Aegean so there is nothing left for the villages to offer as a service.

According also to the questionnaire that was conducted, a main weakness is the exploitation of the natural area in order to build more hotels. Most of the “green element” of the area has been disappeared. Another weakness could be the unequal space on the beach for those who stay in the hotel and for those who are individuals and want to enjoy the beach without staying in the resort. Actually, with the exception of the only one beach bar (Anemos beach bar) that its not property of the resort, there is nowhere else space for individuals.

Opportunities:

Firstly, an important opportunity is for the touristic period to be bigger. Already, projects are being discussed for the next summer in order for the season to last more. The hoteliers of Halkidiki are searching for ways to make Halkidiki attractive during the winter offering winter accommodation and activities like agricultural experiences. New cafes and restaurants will help to the better image of the area as well as renovation of the already existing hotels and rented rooms.

Furthermore, taking advantage the agricultural element of the area, the resort can organize agricultural activities for the travelers, follow this interesting alternative form of tourism and support the entrepreneurs of the villages by increasing the share of the revenues for them.
Threats:

Firstly, the most important threat of the continuous development of Halkidiki could be considered that the economic and political environment in Greece are both equally not stable, and the reason is the economic recession in Greece. Furthermore, the problem with the taxation for many years now, could be an unfavourable impact for the economy of the resort as well as for the region of Halkidiki.

Secondly, a main threat could be the “mass tourism” issue. The population that gathers every year the area of Halkidiki is uneven with the amount of travelers that can be accommodated and that situation can cause problems and malfunctions regarding their stay. Problems that are really important and have to be solved.

Thirdly, the absorption of the biggest percentage of the revenue from the resort, will lead the small individual businesses to have financial problems and this will lead to the extinction of the local identity of the area of Halkidiki.

*TOWS Analysis*

TOWS analysis is a tool which is used to generate, compare and select strategies. TOWS may have similar roots with SWOT. TOWS is a tool for strategy generation and selection (TOWS Matrix, Exploring Corporate Strategy, G. Johnson, K. Scholes, R. Whittington). There are four TOWS strategies:

- **Strength-Opportunity:** use the internal Strengths to exploit the external Opportunities
- **Weakness-Opportunity:** taking advantage of external Opportunities to offset or mitigate internal Weaknesses
- **Strength-Threat:** using internal Strengths to mitigate or minimize external threats
- **Weakness-Threat:** strategies and tactics that minimize both internal Weaknesses and external Threats
Regarding the combination of Strengths and Opportunities, three are the possible matches.

Firstly, taking advantage the opportunity of the increased revenue of the village, new businesses can some up in order to attract more travelers. Secondly, during the reformation of the area, the small businesses can be upgraded and be more competitive. To sum up, the strong and valuable brand name of Sani can minimize the effect of the economic recession of the area.

Moving on to the combination of Weaknesses and Opportunities, the combinations are two.

Through new agricultural activities, the limitation of the stay in the “borders” of the resort can be avoided or at least minimized. Furthermore, new cafes and restaurants can reduce the effect of the absorption of the revenue from the resort and only.

Regarding the Strengths and Opportunities the combinations that will be referred are two.

Firstly, the mass tourism is a fact. So, the small businesses will be strengthened if the mass tourism will be divided into different geographical areas. That can be succeeded, through the reformation of the area and the different activities that can attract the travelers. Secondly, if the limited stay in the resort will be decreased, then the small individual businesses will step up. This means that the tourists will spend

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Graph 10—TOWS Analysis for the existence of Sani Resort in Halkidiki

- **Strengths/Opportunities**
  - New businesses can come up as a result from the increased village's revenue
  - Because of the reformation of the area, the small business can be upgraded
  - Taking advantage of the strong brand name can reduce the effect of the economic recession

- **Weaknesses/Opportunities**
  - Through new agriculture activities, the staying in the resort can be avoided
  - By creating more cafes/restaurants, the absorption of the revenue can be decreased

- **Strengths/Threats**
  - Taking advantage the strong brand name, more travelers will be attracted, fighting the economic recession
  - Through the reformation of the area, by building more accommodation places, would be an equal balance for the area and the tourists

- **Weaknesses/Threats**
  - If mass tourism will be shared then the small businesses will be strengthened
  - If the staying only in the resort will be decreased (with some activities in the villages) then the small individual businesses will step up
more time in the area around the resort and as a result, the small individual businesses will be developed, too.

**Porter's Five Forces**

Porter's Five Forces model, named after Michael E. Porter, identifies and analyzes five competitive forces that shape every industry, and helps determine an industry's weaknesses and strengths. The forces that this model analyzes are: competition in the industry, potential of new entries, power of suppliers, power of customers and the threat of substitute products (Porter’s, Investopedia).

Graph 11 – Porter’s Five Forces
Competitive Rivalry: (Medium)

Competitive rivalry for travelers and tourists comes mainly from nearby luxury resorts and hotels. These luxury resorts could potentially compete on prices, amenities and services offered.

Rivalry for resorts comes from similar resorts and luxury hotels with similar significant advantages, similar location, size and facilities.

In this case, competitive rivalry is medium. Sani Resort is among the biggest resorts in Halkidiki. It’s the only resort in Halkidiki that consists of five hotels and the one is better that the other. The location is excellent and the very friendly staff is among the advantages that makes Sani Resort one of the strongest resorts.

Supplier Power: (Low-Medium)

The companies that provide cleaning services in the resorts have low differentiation. Some suppliers like retail, food services have also low differentiation. However, other suppliers such as the supplier for beverages and alcoholic drinks are mainly monopolies, and this has as a result an important power on the specific geographical area.

In this case, the power of suppliers is low-medium. By now, there are only two or three suppliers for retail and food services, who compete every year in order to succeed the best, attractive price, so that they can attract more clients and in our case, the clients are the resorts and the hotels.

Buyers Power: (Medium)

The bargaining power of the buyers in an industry affects the competitive environment for the seller and influences the seller’s ability to achieve profitability. In this case, the bargaining power of buyers is medium.

Travelers and tourists, in our case are the buyers. They have a significant power because if their preference changes, then the company will have to change its strategy in order to analyze what is wrong or less attractive regarding the travelers’ preferences.

In this case, the bargaining power of buyers is medium. The travelers that visit Sani Resort are mainly from abroad and are people with a high income, which means that their power as buyers is significant.
Substitutes: (Low-Medium)

Threat of substitutes, is one of the most significant threats that an industry can face. Substitute, is a product or a service that the buyer can purchase of other industries. The substitute offers similar benefits with the main product but usually it is offered in a more attractive price.

In our case, the role of substitute can be played by the smaller hotels (resorts or not) or boutique hotels, even rented apartments. All of these substitutes play a very important role in the performance of an industry. The lack of substitutes products, make the company less competitive with a lower performance because there is no threat of competition.

Around the geographical area of Halkidiki, there are a few accommodation places, as well as, a few luxury resorts is a small distance that can be a substitute. For this reason, Sani Resort has the obligation to be innovative and competitive as it is.

Barriers to entry: (High)

The threat of new entrants is the most important threat in an existing market. When an industry is profitable and successful, then more possible entrants could be attracted in order to take advantage of the profits. New competitors entering the marketplace can threaten or decrease the market share and profitability of existing competitors.

In our case, the barriers to entry are high. Building a luxury resort requires a very high amount of capital investment, a continuous search for a suitable and spacious area and a large number of hotel staff.
**PESTEL Analysis**

Hotels provide great and important services. It covers a significant number of organizations with a variety of services such as food services, assistance and accommodation facilities. PESTEL analysis is necessary in order for an organization to know the external factors that can affect the hotel industry (PESTEL Analysis, Investopedia).

**Political:**

The political environment is very important when we refer to an industry like hospitality. In case, there is political instability, no tourists will be attracted, so the hospitality industry will have lower income levels. The political situation of Greece isn’t on its best. Though, this year (2017), the flows of the travelers were huge.

Moreover, Greece is characterized as a “safe place to travel”, because there were no terrorists attacks and this is a really important advantage because the safety is one of the top priorities for a traveler, in order to visit a place.

**Economic:**

National macro-economic situation, facts and events impacting the situation are major factors affecting the hospitality industry in Greece. For example, during the Olympic Games in 2004 most of the hotels were occupied and fully booked for the whole period. However, the situation was completely different when the Games finished.

One major economic disadvantage is the high rate of taxation. High taxation is a black spot for all businesses in Greece, including Sani Resort. Finally, the Greek economy is not stable in the last years. This has an impact in the hospitality industry for every related organization.

**Social:**

The Sani Resort is a very powerful brand name in the hotel industry. An increased available leisure time would result an increase in the travel participation and an increased number of travelers. Furthermore, events like concerts and games contribute to an increase in the volume of passengers.

Sani Resort, with its very popular “Sani Festival”, aims to attract more and more travelers every year and the fact is that every year, the festival is successful. From the other side, if the unemployment rate will be increased, then the prediction for the year will not be difficult, since the available amount of money, compared to previous years, will be decreased.
Technological:

An overall development of technological infrastructure, relating to catering industry might have a great impact on Sani’s performance. Also, matters associated with the use of energy and maybe the potential for innovation within the resort can be characterized as important technological factors.

Environmental:

The hospitality industry often becomes a point of criticism, of polluting the environment, particularly in most touristic areas, such as historical places, beaches, forest areas etc. A big range of activities, not only pollutes the nature, but also disturbs the animals and the related environment.

Furthermore, hotels and resorts are contributing a considerable amount of carbon emissions with negative implications to the issues of global warming. Sani Resort faces all these years, tight regulations to operate.

Sani’s festival “Sani Green” is a sustainability program. The resort is continually working to improve its environmental performance throughout the resort in areas such as energy efficiency, renewable energy use, water conservation, waste minimization and sustainable procurement.

Legal:

Legal factors are also an important source of external impact on Sani’s performance and they include any changes in the Greek jurisdiction that affect the hospitality industry directly or indirectly.
**External Factor Evaluation Matrix**

**External Factor Evaluation (EFE) Matrix** is a strategy tool used to examine company’s external environment and to identify the available opportunities and threats. Opportunities and threats of the organization are being organized and prioritized. The EFE Matrix deals with external factors, such as economic, political, legal and social (EFE, Maxipedia).

<table>
<thead>
<tr>
<th>Key External Factors</th>
<th>Weight</th>
<th>Rating</th>
<th>Weighted Score</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>OPPORTUNITIES</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bigger period-Winter Season</td>
<td>0.15</td>
<td>4</td>
<td>0.60</td>
</tr>
<tr>
<td>Creation of new places</td>
<td>0.12</td>
<td>3</td>
<td>0.36</td>
</tr>
<tr>
<td>Agricultural Activities</td>
<td>0.13</td>
<td>2</td>
<td>0.26</td>
</tr>
<tr>
<td>SUBTOTAL</td>
<td>0.40</td>
<td></td>
<td>1.22</td>
</tr>
<tr>
<td><strong>THREATS</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Economic Recession</td>
<td>0.25</td>
<td>4</td>
<td>1</td>
</tr>
<tr>
<td>Mass Tourism</td>
<td>0.15</td>
<td>2</td>
<td>0.3</td>
</tr>
<tr>
<td>Extinction of small businesses</td>
<td>0.20</td>
<td>3</td>
<td>0.6</td>
</tr>
<tr>
<td>SUBTOTAL</td>
<td>0.60</td>
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<td>1.9</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>1</td>
<td></td>
<td>3.12</td>
</tr>
</tbody>
</table>

Table 2– External Factor Evaluation Matrix
**Internal Factor Evaluation Matrix**

**Internal Factor Evaluation (IFE) Matrix** is a strategy tool used to evaluate firm’s internal environment and to reveal its strengths as well as weaknesses. In this case, the internal factors are gathered and divided into strengths and weaknesses. The IFE Matrix together with the EFE Matrix are essential tools for the strategy formulation (IFE Matrix, Maxipedia).

<table>
<thead>
<tr>
<th>Key Internal Factors</th>
<th>Weight</th>
<th>Rating</th>
<th>Weighted Score</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>STRENGTHS</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Popular Name</td>
<td>0.12</td>
<td>4</td>
<td>0.48</td>
</tr>
<tr>
<td>Developed Location</td>
<td>0.10</td>
<td>2</td>
<td>0.20</td>
</tr>
<tr>
<td>Growth of Revenue</td>
<td>0.10</td>
<td>3</td>
<td>0.30</td>
</tr>
<tr>
<td>Re-cognizability</td>
<td>0.10</td>
<td>2</td>
<td>0.20</td>
</tr>
<tr>
<td>New Stores opening</td>
<td>0.08</td>
<td>2</td>
<td>0.16</td>
</tr>
<tr>
<td><strong>SUBTOTAL</strong></td>
<td><strong>0.50</strong></td>
<td></td>
<td><strong>1.34</strong></td>
</tr>
<tr>
<td><strong>WEAKNESSES</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Limited stay in the Resort</td>
<td>0.10</td>
<td>3</td>
<td>0.30</td>
</tr>
<tr>
<td>Resort Revenue Absorption</td>
<td>0.12</td>
<td>4</td>
<td>0.48</td>
</tr>
<tr>
<td>Mass Tourism in one spot</td>
<td>0.10</td>
<td>2</td>
<td>0.20</td>
</tr>
<tr>
<td>Exploitation of natural environment</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unequal beach space</td>
<td>0.08</td>
<td>1</td>
<td>0.08</td>
</tr>
<tr>
<td><strong>SUBTOTAL</strong></td>
<td><strong>0.50</strong></td>
<td></td>
<td><strong>1.26</strong></td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>1</strong></td>
<td></td>
<td><strong>2.60</strong></td>
</tr>
</tbody>
</table>

Table 3– Internal Factor Evaluation Matrix

Closing this chapter, the most valuable chapter of this study, all the information the author has for the resort, the advantages and the disadvantages of its presence in the area of Halkidiki, external and internal evaluation factors were competed, in order a clearer opinion about the subject of the study.
Findings and Discussions

Although, the development of the area around Sani Resort is obvious through the last years, with new hotels or development of already existing hotels, new businesses come up all around Halkidiki making Halkidiki a very strong name among the preferences of the travelers. The fact of the development can be supported through the answers of the questionnaires, through the interviews that have been conducted as well as personal discussions with entrepreneurs with small businesses around the resort’s area. The research purpose of the dissertation, as it was mentioned in the introduction, is to highlight the contribution of tourism industry and especially Sani’s, in the area of Halkidiki and that was succeeded through the author’s research, questionnaires and interviews.

The results of the questionnaires, from the interviews, as well as, from the part of the research and personal discussions with local people are similar.

The results of the questionnaires are clear. The 101 responses of the questionnaires by employees in Sani Resort and tourist sector have shown that the resort has helped the wider area of Halkidiki attracting a huge volume of travelers. Airport officials agree on this, arguing that travelers use the airport as a mean of the final destination which is Sani. Local residents of nearby villages support the power of the presence of Sani and as they say in personal conversations with the author, the area attracts a really big amount of travelers because of the presence of a such luxury resort. The employees from the Macedonia Airport support also the contribution of Sani in Halkidiki’s development and as they say, the most travelers that come to Thessaloniki, use the airport to reach Sani Resort.

The greatest advantage of the author in combination with the subject of the research is that at first the author is a graduate of Tourism Management and secondly has been part of the workforce of this resort for two consecutive summer seasons and for this reason the research subject is empirically analyzed.

Discussing with locals and people with “key” managerial positions in Sani Resort, the result that came up through the conversations is that Halkidiki and especially the area around Sani has benefited greatly from the existence of the resort. Accommodation places in the area of Nea Fokia which had a small demand from travelers, from the creation of the resort and then, all the staff from Sani (around 2500 people) is hosted there and to the nearby areas (Nea Potidaia, Athytos) and live and spend their salaries in the surrounding areas that have been stimulated enough. Also,
the resort employs a large percentage of local residents, thus helping to mitigate unemployment even if it’s seasonally.

Through the interviews that have been conducted in order to have a clearer view of the movement of airport travelers the result that came up is that many passengers fly to Thessaloniki to visit the resort with the majority to come Russia and the author’s experience fully agrees and argues that the largest volume of tourists comes from Russia and second largest flow from Great Britain.

From the other side, there are always the dark spots is such great ventures. To develop a major issue in the creation of such resorts the exploitation of the natural environment will be referred. From one side, Sani hosts the “Sani Green” festival. The company is continuously working to improve its environmental performance throughout the resort in areas such as energy efficiency, renewable energy use, water conservation, waste minimization and sustainable procurement. From the other side, as the majority of the people say through the questionnaires the main problem is the exploitation of the natural environment and the result is that the area will lost its identity through the years. The most important asset of Sani Resort is the natural environment and the place where it is located. With every possible effort, the highest priority should be to maintain natural resources and the environment.

One more major issue that comes out from the questionnaires, as well as, the author’s working experience in Sani, is that although it employs a considerable amount of labour force from the surrounding areas, the majority is from the Balkan countries and not from Greece and by that, the local society is not supported at the maximum level and also that the phenomenon of exploitation of the workforce is observed. Moreover the answer on the question “Do you think that there is a black spot in the creation of such resorts in that area” that was repeated more was that there is no space for the individuals who are not staying in the resort, to enjoy the nature and the beach. This is also a major issue that is observed throughout the whole area of Halkidiki with the resorts occupying most of the area on the coastline.

Limitations

Although the research has been completed successfully and reached its aims, there are some limitations. A few difficulties have been encountered in conducting interviews. No one with an administrative position accepted to answer the questions of the interview. The questionnaires were answered by employees in the tourist sector during the period from 10 to 20 September and the sample was great with the percentage reaching 101 responses.
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Appendix

Questionnaires

Questions and Answers

Question 1) Gender

ΦΥΛΟ

101 απαντήσεις

1. Γυναίκα
   - 57 (56.4%)
2. Άντρος
   - 44 (43.6%)

Graph 1- Gender

Question 2) Age

ΗΛΙΚΙΑ

101 απαντήσεις

1. 18-24
   - 34 (33.7%)
2. 25-30
   - 25 (24.8%)
3. 31-40
   - 18 (17.8%)
4. 41-50
   - 10 (9.9%)
5. 51+
   - 15 (14.9%)

Graph 2-Age
Question 3) Studies

Σπουδές

101 απαντήσεις

Graph 3 - Studies

Question 4) Have you ever visited Halkidiki?

Έχετε επισκεφθεί τη Χαλκιδική?

101 απαντήσεις

Graph 4 - Have you ever visited Halkidiki
Question 5) Are you aware of Sani Resort?

Γνωρίζετε το Sani Resort?

101 απαντήσεις

<table>
<thead>
<tr>
<th>Ναι</th>
<th>96 (95%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Όχι</td>
<td>5 (5%)</td>
</tr>
</tbody>
</table>

Graph 5- Are you aware of Sani

Question 6) Do you think such resorts help to increase jobs?

Πιστεύετε ότι τέτοια resorts βοηθούν στην αύξηση των θέσεων εργασίας?

101 απαντήσεις

<table>
<thead>
<tr>
<th>1</th>
<th>2 (2%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>7 (6.9%)</td>
</tr>
<tr>
<td>3</td>
<td>25 (24.8%)</td>
</tr>
<tr>
<td>4</td>
<td>29 (28.7%)</td>
</tr>
<tr>
<td>5</td>
<td>38 (37.8%)</td>
</tr>
</tbody>
</table>

Graph 6- Do you think such resorts help to increase jobs
Question 7) Do you think Sani Resort attracts many travelers?

Graph 7 - Do you think Sani Resort attracts many travelers

Question 8) Do you believe that Sani increases the traffic of the surrounding areas (Nea Fokia, Athitos, Potidea, Nea Moudania)?

Graph 8 - Do you believe that Sani increases the traffic of the surrounding areas (Nea Soki, Athitos, Potidea, Nea Moudania)
Question 9) Do you think there is any black spot in the creation of such resorts in this area?

Do you think there is any black spot in creating such resorts

<table>
<thead>
<tr>
<th>Yes</th>
<th>33 (32.7%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>No</td>
<td>68 (67.3%)</td>
</tr>
</tbody>
</table>

Graph 9- Do you think there is any black spot in creating such resorts

Question 10) If you answered yes to the above question, what do you think this is?

- I believe that such types of hotels are restricting travelers to the resort so that they do not travel to the surrounding areas
- The exploitation of the labor force
- It is primarily aimed at economically eminent citizens
- The market for the surrounding areas is not enhanced
- Destruction of the environment for the creation of hotel units
- The packages offered are All inclusive, with the result that small businesses cannot survive
- The problem is found when there is no balance between hotel units and individuals who want to enjoy the beach without paying loungers, entry and other services
- Many of these exclude beaches for independent tourists
- Increase mass tourism to a specific point only
- They have all the benefits from the hotel without visiting the market and many times they have students who do their practice from foreign countries, so that there is no easy consensus and job losses are lost by the Greeks
- Super saturation
- Destruction of the natural environment, the identity of the area will be lost
Question 11) Do you believe that Sani Resort has a positive effect on the emergence / development of Halkidiki?

Graph 10- Do you believe that Sani Resort has a positive effect on the emergence / development of Halkidiki

Question 12) Do you think that Sani has a positive effect on revenue growth in the region?

Πιστεύετε ότι το Sani επιδρά θετικά στην αύξηση των εσόδων της περιοχής;

Graph 11- Do you think that Sani has a positive effect on revenue growth in the region
Interviews

1) Interview with Mr Patychakis Aimilios, Area Manager International – Area and Station Management, Eurowings – Lufthansa Group

Interviewer: Dear Mr Patychakis, thank you very much for being here today to discuss about the tourism of Thessaloniki and Halkidiki.

Interviewee: Dear Mrs Visokali, first of all I would like to take the opportunity to thank you for interviewing me. I find the topic of your research for your dissertation very interesting. The tourism industry is the most beneficial industry for the Greek economy the last decades. As you know, I am not very familiar with the hospitality industry. However, we can discuss about tourism in northern Greece and its growth during the last couple of years.

Interviewer: As an Area Manager at a European Airline, how would you describe the tourism flow of Thessaloniki and northern Greece during the last years?

Interviewee: The city of Thessaloniki has many visitors during summer, but also during winter. Of course the number increases during the summer season. Our tourists come mostly from European countries and from Russia. During the last years the number of visitors has been increased. Especially the number of Russian tourists because of the situation in Turkey. Many Russians used to spend their summer holidays on the Turkish coast, but now they are seeking for other destinations and one of them is Halkidiki.

Interviewer: Which are the most popular nationalities that visit Greece?

Interviewee: I would say that the most ”traditional” nationality is the German. Germans visit our country for the last decades. Other nationalities such as English, French and nationals of the Balkans also visit Greece. The Russians began to spend their holidays in Greece during the last few years and the number of visitors is increasing constantly.

Interviewer: Do you think that Sani Resort attracts tourists in Thessaloniki and in Halkidiki?
Interviewee: Of course it does. From my experience in the airline industry I can say that many passengers fly to Thessaloniki to visit the resort. Most of them are coming from Russia.

Interviewer: What is your opinion for such resorts in the area of Halkidiki?

Interviewee: From the one side, we could say that such resorts offer jobs to unemployed people. Most young people between the age of 23 and 30 are currently unemployed. Such resorts are a good option for them, but only during the summer season. This means that the unemployment rate increases again during winter. From the other side, these resorts offer everything that a tourist can imagine, but only inside their premises. One can find all kind of shops (mini markets, boutiques, rentals etc.) in the premises of Sani Resort. This means that all other businesses in the area will not benefit from the tourists of Sani or any other resort of the kind. I mean that only following businesses have the advantage to profit from Sani: Airlines, the Resort itself and the state which takes taxes. The other local businesses do not have any profit as the tourist stays in the resort during the whole visit.

Interviewer: Do you think that there is space for further expansion of Thessaloniki airport, in order to be able to connect the city with other cities of the world?

Interviewee: Currently and from April 2017 the airport of Thessaloniki is under the management of Fraport. The company is now the operator of the airport and not the state. In the agreement with Fraport is stated that the operator is obligated to invest in property and equipment some million Euros the next years. Fraport already started to renovate parts of the airport and the company’s masterplan has been approved by the Greek government. This means that the operator will start to renovate and expand the airport from November 2017. In this case the airport will be able to handle more flights, which means a larger amount of passengers.

In my opinion, there is space for further expansion in the European market. There are many European airports to which our airport could be connected in the future. A modern and convenient airport will always attract airlines. At the time and for the next 5 years I do not think that there will be interest of airlines for long-haul flights to and from Thessaloniki.
**Interviewer:** At this point I would like to thank you for your time and for our conversation.

**Interviewee:** Once again thank you for the interview. I wish you the best for your dissertation. Do not hesitate to contact me should further questions arise.
2) Interview with Mrs Arampatzi Dimitra, Passenger Service Supervisor – Quality Manager, Aegean Airlines

Interviewer: Dear Mrs Arampatzi, thank you very much for being here today to discuss about the tourism of Thessaloniki and Halkidiki.

Interviewee: Dear Mrs Visokali, I would like to thank you for the interview. The topic of your research is very interesting and this was a motive for me to be here with you today to discuss. Everyone knows that the tourism industry is the most profitable industry in Greece.

Interviewer: As a Supervisor and Quality Manager at a Greek airline, how would you describe the tourism flow of Thessaloniki and northern Greece during the last years?

Interviewee: As regards the part of northern Greece, the city of Thessaloniki is the most ‘’famous’’ destination for tourists. We can say that the city is visited through the whole year. Of course the summer season is the peak season for us. From my experience I can say that the origin of the visitors is mostly from Europe and Russia. Through the last years the demand has been increased and especially as regards the flights from and to Russia.

Interviewer: Which are the most popular nationalities that visit Greece?

Interviewee: I would say that the most popular nationalities are the Europeans and then the Russians. Of course there are also other nationalities from Asia or America, but the number is limited. Most of those nationalities visit the south part of the country.

Interviewer: Do you think that Sani Resort attracts tourists in Thessaloniki and in Halkidiki?

Interviewee: I am sure it does. I think that most of the visitors of the Resort are Russians. I would say that the Resort attracts the visitors to Halkidiki. They only use the airport of Thessaloniki to approach the region.

Interviewer: What is your opinion for such resorts in the area of Halkidiki?
Interviewee: People visit the Resort and stay in the Resort for the whole duration of their vacation. It might be an advantage for example for the unemployment of the area, but other small businesses do not benefit from the flow. The visitors only use transportation (aircraft and bus) and the internal facilities of the Resort. We also have to mention that those kinds of Resorts only operate through the summer season.

Interviewer: Do you think that there is space for further expansion of Thessaloniki airport, in order to be able to connect the city with other cities of the world?

Interviewee: The new management of the airport will renovate and expand the airport. Currently we only have flights from and to European destinations. It would be really beneficial to also have flights to America or Asia, but for the moment I think that the demand is not high. In the future the facilities will be able to handle larger aircrafts.

Interviewer: At this point I would like to thank you for your time and for our conversation.

Interviewee: It was a really interesting discussion with you. I wish you the very best for your dissertation and for your professional future.