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A COMPARATIVE STUDY ON THE PROFITABILITY OF TOURISTIC PENSIONS

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Abstract

The expansion that rural tourism has witnessed in the late XIXth century was determined by the existence of two reasons: on the one side the revival and development of the rural area, and the other side the alternative tourism form compared to traditional, classic or table tourism. It is known that regardless of the external environment in which tourist accommodation units operate, an important role belongs to the quality of the services offered and the satisfaction level of the customers. This study aimed to comparatively analyze the economic efficiency of the Confort Pension located in a rural area and the Danacris Pension from the urban area. The reason for choosing these two units was that the types of tourism they represent are significant areas of operation, namely leisure tourism ("Confort " Pension) from Suceava area and business tourism ("Danacris" Pension) fromBucharest. Based on the existing methodology in the specialized literature, specific indicators were calculated in order to highlight economic efficiency. Based on the analysis of the main financial standing indicators and the evolution of income and expenditure one may conclude that both companies were profitable.

Key words: *customers, economic efficiency, pension, tourism.*

INTRODUCTION

Two Pensions were studied: ″Confort″ and ″Danacris″ Pensions.

"Confort" Pension is located in Suceava, was established in 2000 as a rural Pension, within the category of 3 daisies, having a capacity of 8 rooms, and a 24 seats restaurant, and the average fee was of 100 lei/double room. 94% of the clients come for leisure and touristic objectives sightseeing, and only 6% of them come for business purposes [5]. Meals are ensured in 27% with products from own production. The occupancy rate of "Confort" Pension is high enough, falling between the interval 73-87% for all of the three years analysed, and average length of stay is 3.5 days.

"Danacris" Pension was established in September 2003, as the top Pension in Bucharest at that moment. Presently the Pension has 21 beds and a restaurant with a capacity of 36 seats. Given that it is an urban Pension, from the 3 daisies category, the average fee is higher, respectively 140 lei/double room. The Pensions' tourists are, in proportion of 96% business tourists and Romanians are predominant, only 22% being foreign tourists. The products are ensured in proportion of 97% from the supermarket [5]. The occupancy rate varies between 61-83% and the average length of stay is 2 days at "Danacris " Pension.

MATERIALS AND METHODS

This study on the economic efficiency of a Pension from the urban environment on one side and of one from the rural environment on the other side, by the activity these develop, are based on the technical-economical processing of the existing data, by using specific analysis methods [4].

RESULTS AND DISCUSSIONS

The values of occupancy rate listed for each month of the period 2010-2012 for Confort Pension are presented in Table 1.

Table 1. Situation and evolution of the monthly occupancy rate, „Confort" Pension

Specification	2010	2011	2012	2011/ 2010	2012/ 2010	2012/ 2011
January	87	71	88	81.61	101.15	123.94
February	62	53	67	85.48	108.06	126.41
March	83	74	89	89.16	107.23	120.27
April	79	67	86	84.81	108.86	128.36
May	53	65	68	122.6	128.30	104.61
June	80	75	85	93.75	106.25	113.33
Average-sem. I	**74**	**67**	**80**	**90.54**	**108.11**	**119.40**
July	99	88	98	88.88	98.99	111.36
August	99	94	99	94.94	100	105.32
September	76	75	80	98.68	105.26	106.66
October	57	62	63	108.7	110.53	101.61
November	54	65	68	120.3	125.92	104.61
December	92	90	94	97.82	102.17	104.44
Year average	**77**	**73**	**82**	**98.81**	**106.49**	**112.32**

Correspondingly, for the "Danacris" Pension a similar table was prepared (Table 2.), in which the values of occupancy rate were listed for each month of the past three years, followed by a calculation of this indicators' evolution.

The comparative study shows that, unlike the "Confort" Pension, where the lowest occupation rate was over 50%, the "Danacris " Pension drops to an occupation rate of 19% (2010) during the winter months, when there are no conferences and business meeting [1].

Subsequently, through sustained marketing campaigns, an occupation rate of over 50% was attained also for these months, although a visible difference is kept between the summer months and those with winter holidays compared to the rest of the year, when the occupation rate is much higher [2].

In Suceava we observed that the average stay is higher than in Bucharest in all 3 analysed years. The fact that the stay is in average on day longer, in case of "Confort" Pension, highlights the fact that transit tourism is almost non-existent, the leisure vacation) and weekend tourism being prevailing.

Table 2. Occupancy rate of "Danacris " Pension

Specification	2010	2011	2012	2011/ 2010	2012/ 2010	2012/ 2011
January	19	60	64	315.7	336.8	106.6
February	41	81	85	197.5	207.3	104.9
March	57	79	85	138.9	149.1	107.5
April	43	56	83	130.2	193.0	148.2
May	80	89	96	111.2	120.0	107.8
June	65	74	93	113.8	143.0	125.6
Average-sem. I	**51**	**73**	**84**	**143.1**	**164.7**	**115.0**
July	60	87	88	145.0	146.6	101.1
August	51	75	79	147.0	154.9	105.3
September	77	96	94	124.6	122.0	97.9
October	79	92	93	116.5	117.7	101.0
November	90	95	97	105.5	107.7	102.1
December	19	60	64	315.7	336.8	106.6
Year average	**41**	**81**	**85**	**197.5**	**207.3**	**104.9**

Table 3. Comparative situation on the average stay

Year / Month	"Confort" Pension			"Danacris " Pension		
	2010	2011	2012	2010	2011	2012
January	2.7	2.3	3.3	1.8	1.43	2.54
February	2.5	2.9	3.1	2.2	1.95	1.78
March	3.2	3.5	3.5	3.3	2.20	2.81
April	3.1	3.7	4.1	4.0	1.70	2.63
May	3.0	2.8	3.9	2.3	3.08	2.75
June	4.2	3.6	4.7	2.3	2.36	2.76
July	5.5	5.8	5.3	1.6	1.96	1.77
August	5.8	5.7	5.6	4.1	2.69	1.61
September	3.5	3.3	3.4	2.4	2.78	4.30
October	2.1	2.3	2.0	2.9	2.68	2.10
November	2.4	1.9	2.2	3.0	2.86	2.38
December	3.6	3.0	3.5	1.8	1.87	1.88
TOTAL	**3.46**	**3.44**	**3.72**	**2.6**	**2.36**	**2.30**

Table 4. Revenues situation for the two Pensions

Specification	"Confort" Pension			"Danacris " Pension		
	2010	2011	2012	2010	2011	2012
Operating revenues	285982	166010	323230	151019	243303	389130
Financial revenues	-	-	-	410	17	450
Extraordinary revenues	-	-	-	-	-	-
Total revenue	**285982**	**166010**	**323230**	**151429**	**243320**	**389580**

The operating revenues for both Pensions have significant percentages, while the financial and extraordinary revenues are inexistent for both Pensions.
From the comparative point of view, the evolution of the revenues was much more spectacular in the case of "Danacris" Pension, and figures are concluding in this respect.

Table 5. Evolution of expenses for the two companies

Name	"Confort" Penssion			"Danacris " Penssion		
	2011/ 2010	2012/ 2010	2012/ 2011	2011/ 2010	2012/ 2010	2012/ 2011
Operating expenses	71.2	124.7	175.2	192.9	330.9	171.5
Financial expenses	-	-	-	-	-	-
Extraordinary expenses	-	-	-	-	-	-
TOTALE EXPENSES	**71.2**	**124.7**	**175.2**	**192.9**	**332.1**	**172.0**

Total expenses had, in overall, an upward evolution during the analysed period, with small particularities: in 2011, "Confort" Pension expenses dropped compared with 2010, by a percentage of 28.8%. Reported also to 2010, the expenses of the company in Suceava increased in 2012 by 24.79 %, and for the same year, 2012, to increase by 75.27% compared to 2011;
"Danacris " Pension benefits from significant increases over the analysed years: 2011 brings about an increase of the expenses of 92.98% compared to the reference year, 2010; in 2012 there was an increase of 232.12% compared to the same year (2010) and of 72.09% compared to 2011.

Table 6. Comparative situation on the year result

Specificat.	"Confort" Pension			"Danacris " Pension		
	2010	2011	2012	2010	2011	2012
Gross result	65 609	9 104	48 210	41 952	32 046	25 982
Net result	57 030	4 124	41 842	36 606	31 508	25 982

The main reason for which the "Arin"**'s** Pension is higher than the one of "Danacris " Pension is related to the fact that the expenses are considerable lower in comparison to the revenues attained.

Table 7. Evolution of the Pensions' year result

Specification	"Confort" Pension			"Danacris " Pension		
	2011/ 2010	2012/ 2010	2012/ 2011	2011/ 2010	2012/ 2010	2012/ 2011
Gross result	13,87	73.48	529.5	76,.39	61.93	81.08
Net result	7.23	73.37	1015	86.07	70.98	82.46

There are significant fluctuations as regards to the profits recorded by the two companies: from a profit drop of 93.77%, to increases of 915%, fact that indicates an activity that has not been constant from the financial point of view. Slightly different is the case "Danacris" Pension, where, although the profits decreased, it happened gradually and it was generated especially due to the very high expenses recorded [3].

CONCLUSIONS

Notable is the establishment of a Penssion in Bucharest fact that entails a whole new approach and is problematic compared to the same process happened in the rural environment.
Only the problem of cost and finding a plot of land in Bucharest must be mentioned, compared to the utilities problem in the rural.
To the same extent there is also the problem of expenses that are much higher in Bucharest than in Vatra Dornei.
On the other hand there is an interesting social aspect of operating a Penssion such as "Confort Penssion". By marketing actions the efficient counteracting of finding a hotel

problem was accomplished by attaining a very satisfying occupancy of up to 96% (May 2012).

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