

ABSTRACT

Operating in an environment under increased pressure prove value to stakeholders, destination marketing organizations (DMOs) are called upon to provide empirical evidence for budget allocation decisions. As European DMOs turn efforts exclusively towards long-haul source markets, it has become necessary to assess whether overseas markets have real potential to contribute to European Union (EU) tourism goals, or if it is wiser to turn attentions to attracting European source markets. The reviewed literature asserts that the working style and environments of destination marketing professionals demand that as much information as possible be present in an easily digestible format. Literature concerning the sustainability of destinations points to sources located close to the destination as the markets most likely to ensure long term and sustainable development.

In this study, portfolio analysis is used to assess relative market shares, growth rates, and importance values for 39 tourism source markets in 16 EU Member States. Conclusions include a declaration of which source markets are performing, emerging, declining, and stagnating in various EU regions. For many of the sample destinations, overseas markets are in performing positons requiring less vigorous marketing activities while each destination includes several European markets in emerging positons in which could be encouraged to grow more. Neighboring markets generally contribute the most bednights to each sample destination, putting the destinations at risk of losing great amounts of market share if these high importance markets face economic and political upheavals causing citizens to cut back on travel. In these cases this study reveals many close markets with the potential to increase market shares for destinations overly dependent on neighboring markets. Additionally, light is shed onto different economic factors that may influence a market's performance in a destination.