

Innovations in advertising management and their impact on tourism organizations

Abstract: The article examines the role of modern innovations in advertising technologies and their impact on the tourism industry. In the conditions of globalization and rapid development of technology, advertising strategies become the main factor that attracts customers and increases the competitiveness of tourism companies. Special attention is paid to digital marketing, content platforms, social networks and personalized advertising campaigns, which are important in generating tourism demand. At the same time, the article focuses on how innovative approaches in advertising management contribute to increasing brand awareness, strengthening customer trust and increasing sales in the tourism sector. The study analyzes current advertising trends such as Artificial Intelligence (AI), Big Data, Virtual Reality (VR) and Augmented Reality (AR), and their impact on consumer behavior. In addition, the article discusses the main challenges tourism organisations face when implementing innovations in advertising and provides recommendations for the effective use of innovative solutions to achieve strategic business goals.

Keywords: Advertising, management, innovation, tourism, strategy, technology.

Összefoglalás: A tanulmány a modern innovációk reklámtechnológiában betöltött szerepét és a turizmusra gyakorolt hatásait vizsgálja. A globalizáció és a technológia rohamos fejlődésének körülményei között a reklámstratégiák válnak a fő tényezővé, amelyek vonzzák az ügyfeleket és növelik a turisztikai cégek versenyképességét. Különös figyelem irányul a digitális marketingre, a tartalomplatformokra, a közösségi hálózatokra és a személyre szabott reklámkampányokra, amelyek fontosak a turisztikai kereslet generálásában. A tanulmány ugyanakkor arra fókuszál, hogy a reklámmenedzsment innovatív megközelítései hogyan járulnak hozzá a

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[1]Həsənlı, M. (2021): Azərbaycanca rəqəmsal marketingin inkişafı və onun iqtisadi təsiri. *İqtisadiyyat və Biznes*, 2., (4.), pp. 15–28.

márkaimertség növeléséhez, az ügyfelek bizalmának erősítéséhez és az eladások növeléséhez a turisztikai szektorban. A tanulmány az olyan jelenleg használatos hirdetési trendeket elemzi, mint például a mesterséges intelligencia (AI), a Big Data, a virtuális valóság (VR) és a kiterjesztett valóság (AR), valamint ezek hatása a fogyasztói magatartásra. Ezen túlmenően tárgyalja azokat a fő kihívásokat is, amelyekkel a turisztikai szervezetek szembesülnek az innovációk reklámozása során, és ajánlásokat ad az innovatív megoldások hatékony felhasználására a stratégiai üzleti célok elérése érdekében.

Kulcsszavak: Reklám, menedzsment, innováció, turizmus, stratégia, technológia.

Introduction

Advertising is a special type of activity that has accompanied mankind throughout the history of development. It is a kind of relationship between producer and consumer. The purpose of advertising is to increase demand for the services or goods it advertises.

All over the world, advertising is developing at great speed, involving areas such as industry, production or economy. In this regard, a new type of activity – "advertising work" appeared. High-quality management of activities in the service sector is considered the key to success and is called "advertising management" [1].

In recent years, innovations in advertising management have played a special role in the development of tourism organizations. Tourism, which is one of the most dynamically developing sectors of the world economy, requires constant changes and the application of innovative approaches to maintain competitiveness in the market. Innovative technologies in the field of advertising open new horizons for tourism companies, improve interaction with customers and increase the impact of marketing campaigns.

Modern technologies have radically changed the ways of promoting services in the tourism industry.

The digital transformation of the advertising industry has led to the active use of tools such as social networks, contextual advertising, SEO and content marketing.

Tourism companies can reach their target audience in real-time and create a personalized experience.

Platforms such as Instagram, Facebook and TikTok are actively used to promote tourism services through photos, videos, live broadcasts and bloggers.

Using advertising platforms such as Google Ads allows tourism organizations to display their offers to users when they are searching for specific destinations, services or offers.

The use of Big Data allows tourism companies to better understand their customers and offer them personalized services. Analysis of data collected from various sources (social networks, search queries, online orders) helps to better segment the audience, create targeted offers and manage advertising campaigns more effectively [2].

VR and AR technologies provide unique opportunities for potential customers to pre-visit a vacation destination or “walk through” hotels without leaving home. Such technologies allow travel agencies to offer more interactive and interesting advertising methods that encourage the purchase of services.

Influencers and bloggers have become an important part of tourism companies' advertising strategies. Micro-influencers, who are more closely connected with their followers and more reliable, play a special role, which makes their advertising more authentic and effective.

Programmatic advertising is the automated acquisition of advertising space using algorithms and user behavior data. For tourism companies, this allows for faster and more accurate delivery of advertising messages to the right audience while minimizing costs [3].

Innovative solutions in advertising management have a significant impact on tourism organizations and provide many advantages:

1. Increasing customer loyalty. Individual approaches and targeted advertising campaigns allow companies to better communicate with customers and offer them relevant and interesting offers. This helps increase loyalty and repeat purchases.
2. Increasing competitiveness. Companies that actively use the latest technologies can offer unique advertising solutions that differentiate them from their competitors. The use of innovations allows us to reduce marketing costs and increase the efficiency of advertising campaigns, which increases their competitiveness in the market.

[2] Quliyev, S. (2020): Rəqəmsal texnologiyaların turizm sektorunda rolu. *Turizm Jurnalı*, 5., (3.), pp. 45–60.

[3] Hamari, J.–Sjöklint, M.–Ukkonen, A. (2016): The sharing economy: Why people participate in collaborative consumption. *Journal of the Association for Information Science and Technology*, 67., (9.), pp. 2047–2059. <https://doi.org/10.1002/asi.23552>

[4] Məhərrəmov, A. (2019): *Reklamda yeniliklər və turizm şirkətlərinə təsiri*. Bakı: Qanun Nəşriyyatı.

3. Expanding audience coverage. The Internet and social media have enabled tourism companies to reach the global market. Using targeted advertising campaigns allows you to effectively attract tourists from different parts of the world and thereby increase revenues.
4. Increase conversions and revenue. Using user behavior data and automating advertising processes leads to increased conversions. More precise targeting of the target audience, improved user experience through VR and AR technologies, as well as direct interaction through influencers – all contributes to the increase of revenues of tourism companies [4].
5. Increasing trust in the brand. Tourism companies using new technologies and innovative advertising strategies increase customer trust. For example, using influencers or detailed VR tours of vacation destinations creates a sense of authenticity and engagement, which ultimately strengthens the brand.

Innovations in advertising management are fundamentally changing approaches to the promotion of tourism services. Digitization, the use of Big Data, Virtual Reality and influencers help tourism organizations maintain their competitiveness, expand their customer base and increase revenues. Companies that actively implement innovative solutions gain a significant advantage in the ever-changing market.

Analysis

To analyze the impact of innovations in advertising management on tourism organizations, a study was conducted that included statistical data on the use of various advertising tools and their impact on the revenue and customer base of tourism companies. The focus is on innovative technologies such as digital marketing, contextual advertising, social media and the use of Big Data for personalized campaigns.

Table 1. Use of innovative advertising tools in tourism companies

Advertising tools	Percentage of companies using this tool (%)	Increase in number of customers (%)	Revenue Growth (%)
Social networks (SMM)	85%	40%	35%
Contextual advertising (PPC)	70%	30%	28%
Email Marketing	60%	25%	20%
Big Data for personalized campaigns	45%	20%	18%
Virtual reality (VR)	25%	15%	12%
Augmented Reality (AR)	20%	10%	8%

Source: Prepared by the author.

According to the data, most tourism companies (85%) use social networks in their advertising campaigns. It is also the most influential in increasing customer base (+40%) and company revenues (+35%). Contextual advertising is second in popularity (70%) and also shows significant growth in customers (+30%) and revenue (+28%). The use of virtual and augmented reality technologies remains low, but they are also beginning to contribute to the increase in the number of customers and revenues, which indicates their potential for further development.

Table 2. The impact of innovations on the competitiveness of tourism companies

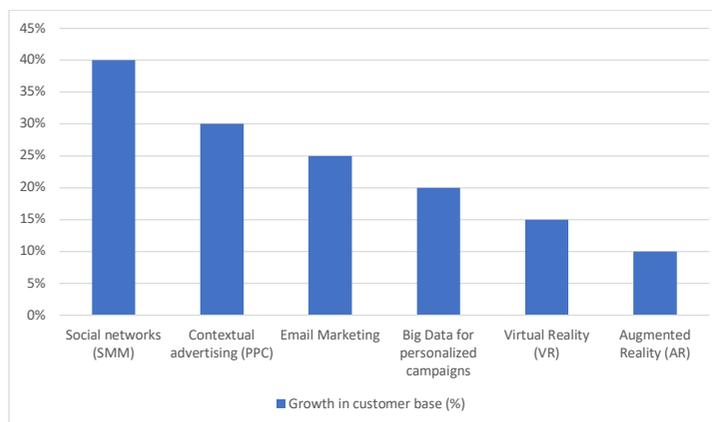
Indicator	Before the innovation	After the innovation	Growth (%)
Increasing number of applications	1000	1450	+45%
Converting leads to sales	10%	15%	+50%
Average Customer Cost (CAC)	50 USD	40 USD	-20%
The company's total revenue	500,000 USD	650,000 USD	+30%

Source: Prepared by the author.

[5] Xiang, Z.–Fesenmaier, D. R. (2017): Big Data analytics, tourism design and smart tourism. *Journal of Destination Marketing & Management*, 6., (2.), pp. 109–110. <https://doi.org/10.1016/j.jdmm.2017.05.018>

The application of innovative advertising technologies led to a significant increase in the number of inquiries from potential customers (+45%) and an improvement in the conversion of potential customers to sales (+50%). Customer acquisition costs (CAC) decreased by 20%, demonstrating the effectiveness of personalized advertising campaigns based on Big Data and Digital Marketing. As a result, the total revenues of the companies increased by 30%, which proves the positive impact of innovations on the financial stability of tourism organizations.

Chart 1. Growth of the customer base of tourism companies after the introduction of innovations in advertising management (in per cent)



Source: Prepared by the author.

The chart clearly shows the increase in the number of customers in tourism companies after the introduction of innovative advertising tools.

The chart shows that the largest increase in the customer base occurred in companies that actively use social networks and contextual advertising. At the same time, virtual and augmented reality technologies have also had a positive impact, but their use requires deeper investment and market adaptation.

Innovations such as the use of Big Data, social networks, and virtual & augmented reality in advertising management significantly affect the effectiveness of marketing campaigns of tourism organizations [5].

The data shows that the implementation of such technologies can improve the accuracy and personalization of offers, in addition to increasing the reach of the target audience. The following table shows the results of a survey conducted among 50 travel agencies on the level of growth of the customer base after using various innovative technologies.

Table 3. Survey results

Innovative advertising tools	Growth in customer base (%)
Social networks (SMM)	40%
Contextual advertising (PPC)	30%
Email Marketing	25%
Big Data for personalized campaigns	20%
Virtual Reality (VR)	15%
Augmented Reality (AR)	10%

Source: Prepared by the author.

The data in the table confirm that the highest indicators of increasing the customer base were achieved with the help of social networks and contextual advertising, which is due to the wide distribution and accessibility of these tools. At the same time, virtual and augmented reality are promising, but still underdeveloped areas.

In addition to increasing the customer base, the introduction of innovations in advertising management also affects the financial indicators of tourism organizations [6]. The table below shows the average changes in company revenues after using different advertising technologies.

[6] Məmmədov, E. (2018): *Yaşıl texnologiyalar və turizm sektorunda dayanıqlı inkişaf*. Bakı: Nurlan Nəşriyyatı.

Table 4. Average changes in company revenues

Innovative technologies	Revenue Growth (%)
Social networks (SMM)	35%
Contextual advertising (PPC)	28%
Big Data for personalized campaigns	22%
Virtual Reality (VR)	18%
Augmented Reality (AR)	12%

Source: Prepared by the author

As can be seen from the table, social networks and contextual advertising are leading in terms of revenue growth and confirm their key role in tourism companies' marketing strategies. The use of Big Data also shows significant results, allowing companies to tailor advertising campaigns more precisely to the interests of customers.

Tourism organizations that use innovative advertising methods see a significant advantage over competitors that continue to use traditional channels such as print advertising and television [8]. According to the study, companies that use innovative technologies achieve an average of 20% better results on key indicators: customer growth, increased customer satisfaction and improved brand awareness. The table below shows the results of the comparative analysis.

Table 5. Comparison of traditional and innovative advertising methods

Advertising methods	Increase in number of customers (%)	Customer satisfaction (%)	Brand awareness improvement (%)
Traditional methods (print, TV)	10%	12%	15%
Innovative methods (SMM, VR, Big Data)	25%	30%	35%

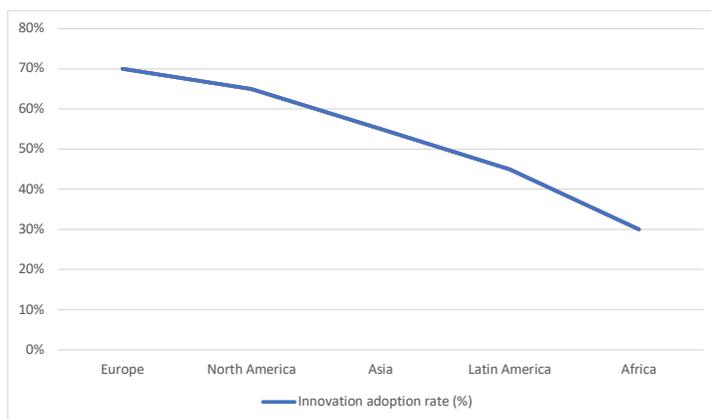
Source: Prepared by the author.

These data show that traditional methods are losing their effectiveness compared to modern innovative approaches that reach a wider audience and build stronger relationships with customers.

The adoption of innovations in advertising management varies by region depending on the availability of technology, the level of digital literacy and the readiness of companies to innovate [7]. In the research, tourism companies operating in several regions were analyzed. Below is a graph showing the level of innovation in different regions.

[7] Schumpeter, J. A. (2013): *Capitalism, socialism and democracy*. New York: Routledge.

Figure 1. The level of implementation of innovations by world regions



Source: Prepared by the author.

As can be seen from the data, the highest level of innovation is observed in Europe and North America, where tourism is actively developing thanks to the application of modern technologies. At the same time, the application of innovative methods in developing regions such as Latin America and Africa still lags behind.

Conclusion

The analysis of statistical data and the use of tables and graphs show that the introduction of innovations in advertising management has a positive effect on the main performance indicators of tourism companies.

These innovations not only increase customer numbers and revenue but also reduce customer acquisition costs. The most effective tools are social networks and contextual advertising, but virtual and augmented reality technologies have great potential for further development

Innovations in advertising management play an important role in increasing the competitiveness of tourism companies in the modern digital economy.

As shown in the article, the use of tools such as social networks, contextual advertising, Big Data technologies, virtual and augmented reality helps not only to increase the customer base, but also to increase company revenues, reduce customer acquisition costs, and increase user loyalty.

The study showed that social networks and contextual advertising currently show the highest effectiveness, while new technologies such as virtual and augmented reality have significant potential for future development. Successful implementation of these tools requires strategic planning, integration of innovative solutions and active monitoring of results.

An important task facing tourism organizations is to adapt to rapidly changing market conditions, which involves constant innovation in marketing strategies. Only companies that can quickly and flexibly react to changes will be able to take a leading position and ensure long-term success.

In addition, it should be noted that the introduction of innovations in advertising management requires tourism companies not only to invest in technology but also to develop new approaches to training employees who will work with these tools. Employees must have skills in working with digital platforms, data analysis and real-time management of advertising campaigns.

In addition, tourism companies must carefully monitor changes in consumer behavior and preferences, as this allows them to adjust their marketing strategies based on current trends. The role of Big Data analytics is becoming key in creating more accurate and personalized offers for customers.

In conclusion, the success of tourism companies in today's environment depends more on their ability to innovate in their advertising processes, which helps to strengthen the brand, attract new customers and increase their satisfaction. Companies that actively use modern technologies and adapt to changes in the market will be able to achieve significant results and strengthen their position in the industry.