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Scientific field
The journal publishes studies in the tourism field in general, including hotel industry, catering, transports, or other
disciplinary fields, when considered relevant for the debate or knowledge within the scope of tourism. The journal,
whose main concern is the publication of original studies, does not have a disciplinary orientation, in terms of
school or method.

Objectives
The journal aims to contribute to the creation and dissemination of knowledge in the different fields of tourism; it
aims to develop and promote the research activity, emphasizing the European research in the tourism domain, but
it is open to authors from academic and research academies all over the world, with equity;
The journal intends to maintain a high quality standard, as well as a regular and punctual publication.
We would like to underline the following specific objectives:
- To foster the exchange of applied tourism and hospitality research information among professionals and academics
  throughout the world.
- To stimulate discourse on emerging tourism and hospitality research issues.
- To foster networking within the tourism and hospitality research community.
- To provide expert opinion on crucial research issues for the industry.
- To help EJTHR readers advance their professional lives via an increased understanding of existing and new research
  techniques and methods.

Themes and sections
If the Editorial Board so decides, themed volumes may be published (e.g., Tributes; Proceedings, Special Issues).
If considered appropriated, the journal may have new permanent or occasional sections.
The EJTHR is an international journal, whose official language for regular publication is English. Themed volumes
(e.g., Special Issues, Proceedings) may be published in English, Portuguese or Spanish.

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Applicants are invited to submit their papers to ejthr@ejthr.com, according to submission guidelines available on
the website www.ejthr.com
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EDITOR’S NOTE

“FREEING THE LIONS”:
TOURISM RESEARCH IN A CHANGING WORLD

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TOURISM: A SOCIAL PHENOMENON OR A BUSINESS FIELD?

In a rapidly evolving and uncertain world, recreation constitutes a vital counterweight against the insecurity, stress and conflicts following change. Although ‘fun’ is a serious issue and ‘recreation’ may not be optional, it would be misplaced to limit tourism within those two terms. Beyond the individual psychological micro-benefits, tourism is arguably a pervasive, global phenomenon with significant economic, socio-cultural and environmental macro impacts.

From a moral - and perhaps romantic - viewpoint, one may argue that travel and tourism is essential to personal development, and that it promotes humanism and contributes to world-peace. Yet, tourism, categorised somewhere between: a ‘holiday’ and a ‘trip’, an ‘experience’ and a ‘commodity’, a ‘human right’ and ‘conspicuous consumption’, is completely absent from formal primary and secondary school curricula and is not considered a competence / skill in the modern educational toolkit. From a ‘less romantic’ point of view the tourism sector holds enormous economic significance for many non-industrial economies; local,
regional and even national. According to the UNWTO\(^1\), tourism accounts for 9% of the world’s GDP and for 1 in every 11 jobs; while its business volume ‘equals or even surpasses’ that of oil exports, food products or automobiles. Oddly enough, despite its economic significance, for a number of countries (e.g. Germany – outgoing tourism, Greece – incoming tourism), often it plays a side-role in political decision-making and governance. For a number of established destinations, tourism has chaotically evolved instead of being strategically developed, competitively disabling entire destination regions, whilst enabling oligopolistic and to a certain degree exploitative structures in the source markets. Liedtke (2004) in his analysis of the high degree of concentration in the tourism sector, characterises the industry as a ‘holiday cartel’.

The significance of the holiday sector and the ubiquity of the tourism phenomenon predestine this domain as a relevant, rich and dynamic field for scientific research.

“Science or research is always under pressure to deliver something which can be used immediately for society.” \(^2\)

Rolf Dieter Heuer

‘LIFE IN THE ACADEMIC JUNGLE OF TOURISM’: THE STATE AND STATUS OF TOURISM RESEARCH

Obtaining an overview of the research being undertaken in a diverse, dynamic and fragmented field such as tourism is arguably a challenging task. In this section, an attempt is made to summarise some of the corresponding main issues.

Identity and status: The ‘what?’ of tourism research

Over the last years, a number of scholars have critically discussed the nature, impact and status of tourism research.

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\(^1\) Source: http://www2.unwto.org/content/why-tourism

\(^2\) Source: http://www.brainyquote.com/quotes/quotes/r/rolfdiete475434.html#Xzvvuzzc7IevakXa.99
Almost two decades ago, John Tribe rejected the notion that tourism constitutes (or can constitute) an academic discipline (Tribe, 1997). In the absence of unifying paradigms and the reliance on other disciplines for the interpretation of the tourism phenomenon, render tourism studies an ‘interdisciplinary field’ of scientific inquiry (ibid).

According to the above-mentioned author, the yearning for establishing tourism as an academic discipline is driven by a lack of ‘academic self-confidence’ (p.656) and should be abandoned. As the argument goes, tourism research, just like tourism, is characterised by diversity and messiness and this ought to be celebrated. The implied questions here are: “Where does this insecurity and lack of confidence originate from? And more importantly; is it justified?”

Relevance and impact: The ‘so what?’ of tourism research

Franklin & Crang (2001) reduce tourism research to a mere recording of the sector’s growth which essentially results to fragmented and descriptive research. Page (2005) practically argues that 75% of tourism research has negligible impact and its absence would not significantly reduce the knowledge base on the subject. Moreover, ‘knowledge exports’ (i.e. citations of tourism research in non-tourism journals) to the wider, social-sciences community tend to be rather limited, indicating a certain degree of ‘self-referentialism’ (Wardle & Buckley, 2014) and ‘intellectual inbreeding’ (Xiao & Smith, 2008).

Validity and rigour: The ‘how?’ of tourism research

Even though historically positivism dominated tourism research, it has evolved to include more methodological and epistemological diversity (Xin et al, 2013). Yet a number of tourism scholars (e.g. Tribe 2006) have pointed towards a risk of standardisation – or ‘MacDonaldization’ – of tourism knowledge production. Others (e.g. Ren et al, 2010; Liburd, 2012; Benckendorff & Zehrer, 2013; Xin et al, 2013) discuss the ‘standard methodo-
logical toolkit’ of tourism researchers and advocate the necessity for more inclusive and innovative approaches.

Indeed, scientific literature in tourism is focused on social science-centric (esp. Marketing and consumer behaviour), whilst a number of humanities disciplines and applied sciences are ‘conspicuously absent from the literature’ (Benckendorff & Zehrer, 2013: 141-142). In this respect it is not surprising that a vast number of published studies are often based on ‘re-purposed’ surveys, recycling data collected for a publicly- or privately-funded market research projects. Another instance of ‘repurposed data’ may involve case studies utilising the data and experiences collected in such projects. This ‘data-driven-hypotheses-creation’ phenomenon may also be partly due to the difficulties tourism researchers face in collecting empirical data and funding research (Papathanassis et al. 2012).

‘Researching in a lion’s cage’: Tourism challenges and implications for research

On the basis of the above-mentioned, one may assert that tourism research has been undergoing a kind of ‘academic identity crisis’ (Benckendorff & Zehrer, 2013). The debate regarding the epistemology of tourism is still as active as ever, while its methodological toolkit and relevance both leave a lot to be desired. To explore the reasons behind this, it may be pertinent to look beyond the abstract notions of ‘ontology’, ‘epistemology’, ‘practical relevance’ and ‘scientific rigour’. A closer look at the actual actors of the field’s knowledge creation and dissemination system is very illuminating.

Networks and publication possibilities: Thee “who? And where?” of tourism research

‘Typically, researchers view themselves as ‘lions in the jungle’, untrammeled and individualist researchers/pioneers equipped to uncover
A diverse and interdisciplinary field such as tourism offers a number of research niches for academics. Examples include areas such as: eTourism, cruise tourism and even space tourism. In turn, pioneers in those specialised areas, build proprietary networks and publication venues, encouraging what John Tribe (2010) describes as ‘tourism (academic) tribes’. Within those communities (tribes) the presence of influential/pioneer scholars, key conferences and dedicated journals, encourage convergence and arguably restrict individual research freedom. Within this context, Tribe (2010) asserts that: “...divergence is maintained through cheap and hobby research” (p.30)

To a certain degree, the evolvement of ‘academic tribes’ and ‘invisible colleges’ in tourism is presumably due to the publication restrictions and expectations facing tourism academics. The notion of ‘publish or perish’ extends has come to incorporate bibliometrics (e.g. Impact Factor) and rankings. In other words, even when a tourism researcher publishes frequently, they might fail to meet institutional performance requirements by not publishing in highly-ranked journals (Hall, 2012). Within this context, tourism researchers with a highly-specialised focus have a relatively low probability of success in the high-ranked, generalist tourism journals; and even less in non-tourism, social-science and/or management journals. Under conditions of limited access to high-ranked publication outlets and visible venues (i.e. conferences), the development of ‘invisible colleges’ is inevitable; contributing in this way to the pre-existing research fragmentation in the field.

“This observation highlights the distinction between the production of knowledge and the curriculum but results in somewhat of an identity crisis for many tourism academics who deliver a business-oriented curriculum while at the same time engaging in non-business, social science-focused research”

Benckendorff & Zehrer (2013: 141-142)
Another factor worth-mentioning here is the institutional landscape within which tourism research takes place. In a number of countries, the study of tourism is excluded from university-level institutions, forgoing the corresponding privileges, resources and status. Apart from inhibiting research funding, this also implies an operational character and application focus, which could be one of the reasons the attempts to establish a ‘tourism science’ have been unsuccessful (Derballey & Stock, 2012). Confining tourism education and research in the structures of business schools, hospitality colleges and polytechnics encourages managerialism (i.e. focus on practical business issues and problem-solving) and research fragmentation (Papathanassis & Beckmann, 2011; Xiao & Smith, 2008). Thus, it may not come as a surprise that many tourism academics seem reluctant to label themselves as researchers; and even more as scientists.

**Ideology and ethics: The “why?” of tourism research**

Research aspiring to a ‘detached’ positivistic scientific paradigm and a tourism education driven by managerialism, raise the question of ethics and ideology in the tourism academia (Caton, 2012; Tribe, 2006). To return to Heuer’s quote at the beginning of this paper, science is always under pressure to contribute to society and the well-being of people. This requires tourism scientists to adopt a more reflective approach to their research and its implications.

“As tourism scholars, we have some deep reflecting to do on what it is we are - and should be - fighting for.”

Caton (2012: 1924)

“Tourism researchers must be prepared to ‘speak truth to power’. But perhaps at the same time they should seek to speak truth of power and facilitate the speech of the powerless.”

Tribe (2006: 377)
Given the advocated ‘people-focus’ of tourism and its importance for developing economies, adding scientific humanism (not populist activism) in the research equation may dent perceptions of academic neutrality, but may also provide relevance for tourism research beyond ‘academic tribal’ boundaries, whilst encouraging the convergence required to create a common identity in the tourism research community. Answering the ‘why?’ of tourism research provides an answer to the corresponding ‘so what?’ question (i.e. research relevance).

‘Circus Cage vs. National Park’: Towards an alternative tourism research architecture

Addressing the identity and status issues in tourism research, still leaves the previously mentioned challenges of rigour and validity unresolved. In other words, ideology and relevance alone does not guarantee publications, funding and / or data availability. Academics would still feel compelled to extend the length their publication lists and public funding will still require bibliometrics to measure and compare research performance.

“The greatest challenge to tourism scholars may be to stop playing the (publication) game altogether”

Hall (2011:26)

Exiting the ‘publication game’ altogether is a rather idealistic option, as the terms of employment and personal ambitions of tourism academics may both not permit it. Nevertheless, nowadays there are a number of possibilities worth exploring.

Tourism research 2.0 and the democratisation of knowledge dissemination: Some examples

Liburd (2012) transfers the Web 2.0 paradigm and the technological possibilities of collaborative work in to the tourism research domain and challenges the current knowledge-production practices (i.e. peer review), dissemination channels and science business models. According to the above-mentioned author an al-
ternative system could be more dynamic and openly accessible (in the form of Wikipedia) whilst including community assessment features (e.g. reader – ratings) instead of traditional peer reviews. The model proposed here would arguably democratise tourism knowledge production and consumption beyond the confines of ‘invisible colleges’ and ‘A’-journals. The success criterion for scholars would be contribution (i.e. relevance and participation) as contrasted to recognition (i.e. rigour and citations).

Over the last years elements of such a model are becoming increasingly popular within the academic community. Established journals are offering open access possibilities. Some offer open access at an extra cost for authors, while others are available at no cost for both authors and readers; at least for the electronic version. An example of such a journal would be the European Journal of Tourism, Hospitality & Recreation (EJTHR)\(^3\).

Web 2.0-inspired peer-reviewing variations including community-assessments are also visible. An example would be the ‘anonymous peer-crowd reviewing’ process utilised to assess the papers submitted for the 3\(^{rd}\) International Cruise Conference in Dubrovnik (Papathanassis et al, 2012, p. vi). The conference paper reviews were conducted online and included a requested an overall star-rating. Reviewers were free to choose which papers they wanted to assess, based on their own judgement and preference. Such an approach takes into account rigour (i.e. rating and review text), as well as relevance (i.e. number of reviews per paper).

‘Inclusion’ and ‘egalitarianism’

Referring back to the ‘lions in a cage’ analogy, a cage does not only prevent escape, but also restricts entry. Various researchers have addressed the issue of ‘inclusion’ in tourism research, critiquing the dominance of certain demographic and cultural groups within the research community (e.g. Becher & Trowler, 2001; Tribe, 2006; 2010). The adoption of a Web 2.0-enabled open access model of tourism research and the accompanying ‘democra-

\(^3\) Source: http://www.ejthr.com/index.php
tisation’ of knowledge production and consumption, would presumably lead to more inclusive community. Instead of Tribe’s ‘invisible colleges’, one could refer to ‘accessible, virtual colleges’. Research-diversity in terms of methodological approaches and research areas is inexorably related to the diversity of those who conduct it. The prospect of inclusion is not limited to gender and culture but also to academic background. Tourism research could also greatly benefit from the contributions of practitioners, students and even ‘hobby-researchers’, who are currently excluded due to the effort and process knowledge required to write and publish a research paper. In a web-enabled, open access, collaborative model of publishing, incomplete research contributions (no matter how small) can be easily incorporated.

Including, for example, undergraduate students in the research process could be beneficial for their education, whilst reducing the dependency on doctoral staff and funding; especially for underprivileged and /or underfunded institutions. Viewing and treating:
- Students as ‘apprentice researchers’ and not merely as ‘convenient survey respondents’, and
- Researchers as ‘experienced students’ and not as ‘part-time teachers’
- offers a wide range of education possibilities (e.g. student conferences, research master programs); whilst promoting academic egalitarianism and fostering a positive atmosphere in higher education institutions (Papathanassis, 2013).

Concluding remark

Having painted a somewhat idealised picture, it is important to point out that ‘changing the rules of the game’ for tourism research ought to be seen as an evolutionary process. In other words, it is unlikely that vision expressed in the previous pages will materialise overnight. Rather, elements and aspects of the tourism 2.0 vision are gradually entering the academic landscape. Moreover, while addressing existing challenges it also creates new ones related to: institutional governance and funding, quality control, and content management. Researching in a ‘circus cage’ may be challenging, but doing so in the ‘jungle’ is also!
ABOUT THIS SPECIAL ISSUE

This Special Issue of the EJTHR can be considered as an illustration the Liburd’s (2012) metaphor of Web 2.0 paradigm in the tourism research domain. In partnership with two Polish universities (the University School of Physical Education in Poznan and the University of Economy in Bydgoszcz) the EJTHR promoted the 2nd International Conference of Tourism, Hospitality and Recreation in Poznan (19th - 21st May, 2014). This Special Issue is fully dedicated to this important event.

According to the Scientific Committee of the Conference the 5 best papers were selected for publication in the current issues of the European Journal of Tourism, Hospitality and Recreation (Volume 5, Number 2, July, 2014). These best papers are the following:

- «Internationalization of tourism management in Polish cities: Strategies, marketing and structures», by Piotr Zmyślony (Poznan University of Economics, Poland)
- «Turning satisfied into loyal: the case of Lithuanian tourists», by Lina Pilelienė and Viktorija Grigaliūnaitė, from Vytautas Magnus University, Lithuania
- «Tourism jobs and subjective well-being at work: A cross-national analysis», by Marlena A. Bednarska, from Poznan University of Economics, Poland.
- «Examining the importance of culture, gender and individual differences in customers», by A. Scott Rood, Grand Valley State University, USA, and Joanna Dziadkowiec, from Cracow University of Economics, Poland.
- «The role of social embeddedness in tourist region cooperation», by Katarzyna Czernek, from Katowice University of Economics, Poland.

Apart from a monograph that will include a significant number of papers presented at the Poznan Conference, the 19 articles included in this Special Issue cover a wide range of subjects, from huge relevance for understanding the state-of-art of the

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4 Since 2012 and biennially, the EJTHR organizes in different European countries a scientific conference, aiming to support the dissemination of research outputs of young researchers, especially those who are engaged in doctoral programs of tourism scientific areas. The 1st International Conference promoted by EJTHR took place in the University of Santiago de Compostela, Spain, on 20-21 June, 2012.
research in tourism in Europe, although it also includes contributions from authors from other continents. Despite the natural predominance of the Polish authors, this Special Issue presents works of 16 researchers from 16 nationalities. Concerning the thematic scope, as shown in the content page and in the table below, all the selected articles are focused on different themes, and most of them are case studies.

Table 1: Main attributes of the selected papers included in this Special Issue

<table>
<thead>
<tr>
<th>Keywords</th>
<th>Filiation and Country</th>
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</thead>
<tbody>
<tr>
<td>regional policy, tourism economy, tourism policy, EU funds</td>
<td>University of Szczecin, Poland</td>
</tr>
<tr>
<td>sustainability, responsibility, ethics, entrepreneurship, collaboration</td>
<td>UiT - The Arctic University of Norway</td>
</tr>
<tr>
<td>accessible tourism, disability, special needs, innovations</td>
<td>Jagiellonian University in Cracow, Poland</td>
</tr>
<tr>
<td>competitiveness of destinations, models of competitiveness, management,</td>
<td>University of Matej Bel, Slovakia</td>
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<tr>
<td>marketing, partnerships in tourism, visioning</td>
<td></td>
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<tr>
<td>network organization, network strategy, network innovation, relational</td>
<td>Warsaw School of Economics, Poland</td>
</tr>
<tr>
<td>capabilities</td>
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</tr>
<tr>
<td>tourism, regional, Harkány, hotel, strategy</td>
<td>Pécs University, Hungary</td>
</tr>
<tr>
<td>second home tourism, destination quality, Alanya</td>
<td>Akdeniz University, Turkey</td>
</tr>
<tr>
<td>destination image, image attributes, package holiday services, product</td>
<td>Warsaw School of Economics, Poland</td>
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<td>quality perception</td>
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<tr>
<td>consumer behavior, destination marketing, DMO benchmarking</td>
<td>Singidunum University, Serbia</td>
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<tr>
<td>domestic tourism, Poland, Czech Republic</td>
<td>Katowice School of Economics and Silesian University of</td>
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<td></td>
<td>Technology in Gliwice, Poland</td>
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<tr>
<td>lodging, hotels, crowdsourcing, open innovation, maintenance, product</td>
<td>University of Central Florida, USA; Hotel Asset Management</td>
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<tr>
<td>defects</td>
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<td>multiculturalism, cultural diversity, Lesser Poland</td>
<td>Pedagogical University in Cracow, Poland</td>
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<td>Vilnius University, Lithuania</td>
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<tr>
<td>innovation categories, qualitative research</td>
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<tr>
<td>seasonality of tourism demand, effective tourism demand, organized tourism</td>
<td>Poznań Academy of Physical Education and University of Life Sciences in Poznan, Poland</td>
</tr>
<tr>
<td>career, career development, factors of career development, models of career</td>
<td>National Research University, Russia</td>
</tr>
<tr>
<td>tourism, cultural tourism, tour guide, São Cristóvão/SE/Brazil</td>
<td>Federal Institute of Education, Science and Technology of Sergipe, Brazil</td>
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<tr>
<td>tourism education, tourism curriculum, skills, competencies, employability</td>
<td>Turiba University, Latvia</td>
</tr>
<tr>
<td>Wine festival, Tourism</td>
<td>Szent István University, Hungary</td>
</tr>
<tr>
<td>Health tourism, Medical tourism, Elective medical tourism, Greece, Chalkidiki</td>
<td>Technological Educational Institute of Thessaly and Papanikolaou Hospital &amp; Psychiatric Hospital of Thessaloniki, Greece</td>
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**REFERENCES**


REGIONAL TOURISM POLICY AND THE USE OF EUROPEAN UNION FUNDS IN TOURISM ECONOMY ON THE EXAMPLE OF SELECTED POLISH REGIONS

Aleksander Panasiuk
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ABSTRACT: The paper concerns issues of developing tourism policy at the regional level. There are presented European Union funds which were allocated for the subjects of tourism economy in Polish regions in the financial perspective 2007-2013. EU funds for tourism economy were the basis for the implementation of regional and local strategies for tourism development. The empirical part deals with research results of the state of using EU funds by tourism economy entities, i.e. local authorities and tourism enterprises. The main aim of the paper is to present the scope of support from EU funds for tourism economy in selected Polish regions. According to the formulated hypothesis, EU funds are means of regional tourism policy and they also shape the state of development of regional and local tourism economy. The research will result in recommendations concerning regional tourism policy in the EU financial perspective 2014-2020. Keywords: regional policy; tourism economy; tourism policy; EU funds

INTRODUCTION

The main part in the implementation of the tourist function at the regional level belongs to local authorities. Thanks to legal regulations, they become the subjects of tourism policy and receive a number of means which shape functioning of regional tourism economy. In Poland, regional authorities are in charge of regional tourism policy and they are responsible for determining regional strategy for tourism development. The key means of regional authorities activity are European funds which through regional operational programmes affect certain fields of the social and economic life in the region, including tourism. The main aim of the paper is to present the scope of support for tourism economy from EU funds in the selected regions of Poland. According to the
formulated hypothesis, EU funds are means of regional tourism policy and they also shape the state of development of regional and local tourism economy. There were shown the possibilities of the regional authorities to be not only the subject of the regional tourism policy, but also the active subject of tourism economy. The research methods used in the paper are as follow: (in the theoretical part which relates to the issues of the regional tourism policy and EU resources) - the analysis of literature and observations; (in the empirical part) - demoscopy research based on the presentation of the results of questionnaires done in municipalities in two Polish regions, and mathematical and statistical methods. The research will result in recommendations concerning regional tourism policy in the EU financial perspective 2014-2020.

Tourism economy

The whole sphere of activities, facilities and resources designed to meet the needs created by tourists is called tourism economy. It is “... a set of various economic and social functions, directly or indirectly developed to meet the growing demand for tourist services”(Gaworecki 2003, p.161). This definition emphasizes the complexity of the tourism economy and its close relationship with the process of the tourist consumption (Kornak & Rapacz 2001, p.11). In the systematic approach tourism economy is defined as a system of interdependencies that may arise between institutions and organizations that are involved in a process of meeting the needs expressed by tourists (Nowakowska, 1988). This system includes all measures to meet tourism demand, from changing natural environment to the needs of tourism up to the creation of conditions for tourism development (Góembbski 2002, p.135). Tourism economy manifests itself in all areas of management: the production of goods and services, their distribution, exchange and consumption; it is also found in most sectors of the national economy, which operations more or less influence directly or indirectly meeting the tourist demand.

In the classic approach tourism economy consists of direct and indirect tourism economy. The criterion of assigning entities’ activities to each of the groups is the degree of activity’s indispensability for servicing of tourism movement and the importance of an activity to tourism for a given entity. The development and changes in the sphere of tourism caused the additional division of tourism economy into usual and complementary. Direct tourism economy (the tourism industry) includes activity of only those subjects which functioning results from meeting the needs reported by tourists (Leiper, 1979, p. 390-407). Usual tourism economy covers above
all: hospitality, catering, passenger transportation, travel agencies, companies that operate tourist attractions and tourism information. Complementary tourism economy covers activities in the production of goods and services, companies among other producing sport equipment, trade of products aimed at the tourism market, activities of cultural-entertaining and sport-recreational facilities. The significant scope of activities concerns functions conducted by local authorities and activities of tourism organizations. Indirect tourism economy is the activity of these organizations which respond to the needs expressed by different groups of people (tourists, inhabitants of tourist regions) and that do not create typical and characteristic tourist products (Page, Connell, 2008, p.53), e.g. in the field of banking and insurance sector, trade, post and telecommunication, public utilities.

From the point of further dissertation, it is necessary to narrow down to direct usual tourism economy since these subjects are potential beneficiaries of EU resources for tourism economy. Among the mentioned types of tourism economy activities, there are tourism enterprises which through their services create an offer in the tourist field. A tourism enterprise can be characterized as a purposefully organized, economically independent and distinguished in technically service, spatial and legal respect team of people, material and financial resources, appointed to conduct a certain business activity (through providing tourist services) in the scope of meeting the needs (existential) of travelling people (and not only) in the sphere of tourism and in a way that allows the enterprise to maximize its benefits (Rapacz, 1994, p.19). Therefore, it is an organizational unit conducting a business activity based on chargeable providing of services for participants of various types and kinds of tourism (Rapacz, 1998, p. 15). Among the entities providing tourist services are:

- hospitality enterprises - subjects providing accommodation services, catering and other related,
- travel agencies - subjects organizing and being agents in selling ready tourist offers,
- tourist carriers - subjects representing passenger transportation industry,
- catering enterprises - subjects operating directly on the tourism market or which activity focuses on providing services to tourist regions inhabitants and, at the same time, tourists,
- tour leaders,
- tour guides,
- tourism information entities,
- entities dealing with offers in terms of tourist attractions.
Regional tourism policy

The condition for the effective operation of tourism economy subjects at the regional level is the development of the cooperation system between:

a) bodies conducting business activity (tourism enterprises),

b) voivodeship authorities,

c) organizations and tourism industry associations, including economic authorities,

d) regional tourism organization (Panasiuk, 2008a, p.25).

A country and its authorities play the regulatory role in the processes of tourism economy (Pender, Sharpley, 2008, p.270). Tourism policy is an activity which determines economic, political, social and cultural objectives connected with tourism development, achieving versatile positive effects which result from the existence of demand and supply, trying to meet the social needs in terms of tourism and specifying essential means to do that (Wodejko, 1998, p.170). The strategy for carrying out economic politics should be based on creating and protecting conditions, so that the mechanism of automatic adjustment of supply to demand through prices, that is market, works. However, it requires the protection of property law and the settlement of disputes over contracts and also the existence of many independent producers, well-informed and well-protected customers, free price formation, free entrance and exit from the given market. Creating such conditions require many regulations and public institutions.

According to the division of tasks of public administration at the national and regional level, the primary institution responsible for tourism policy at the regional level in Poland is voivodeship authorities (the voivodeship board and the voivodeship assembly). The basic objectives of tourism policy are:

- fulfilling the tourism needs of a society,
- reasonable use of tourist attractions and labour and capital resources in the sphere of tourism economy,
- development of the optimal size and structure of tourism movement,
- coordination of tourism development which takes into account its various features and links with other areas of economy (Kurek, 2007, p.388).

Regional authorities are a tourism economy entity which is, on the one hand, a sub-system of national government and, on the other hand, a type of civil society organization (Miszczuk, Miszczuk, Żuk, 2007, p.29). From the point of regional tourism economy, regional authorities through their activities protect functioning of this economy.
A cooperation platform for voivodeship authorities and entrepreneurs and tourism organizations in voivodeship is - the regional tourism organization. This is the most advanced form of cooperation between all entities interested in tourism development in the spatial aspect. In practice, it creates a direct support for the voivodeship authorities in the implementation of tourism policy.

**Instruments of regional tourism policy**

Activities conducted by the voivodeship authorities result from regulations in three basic legal acts: tourism act (Act, 1997), voivodeship government act (Act, 1998), Polish Tourism Organization act (Act, 1999). The activities of voivodeship authorities under the regulations of the aforementioned legal acts related to tourism are as follows:

1. Formulating of a strategy for tourism development.
2. Current tourism policy:
   - influences on tourism development,
   - improvement of competitiveness of tourism products,
   - natural environment protection,
   - culture,
   - monuments protection,
   - land planning in the area of tourism,
   - consumers rights protection,
   - acquisition of funds for tourism development,
   - cooperation with tourism industry,
   - cooperation on creating tourist offers,
   - Euroregional cooperation on tourism,
   - tourism promotion,
   - regional tourism information system,
3. Tasks assigned by the national government:
   - keeping record of regulatory activities of tourism operators and middlemen,
   - classifying hospitality facilities into the particular type and category,
   - issuing of the authorization to give training for candidates for tour leaders and tour guides,
   - giving language qualifications and issuing of ID badges for tour leaders and tour guides.

Voivodeship authorities’ activities are crucial in creating regional tourism products that combine services of individual providers of direct tourism economy and para-tourist services in the tourist region. By specifying location of tourism in the structure of the regional economy, particularly through the creation of the tourism development strategy, cooperation and integration of tourism sector, there is a possibility of
activating economy at this level and creating new workplaces (Rapacz, 2006, p.296-299).

Activities of voivodeship authorities, thus creating regional tourism policy, lead to the diversity of particular voivodeships in terms of political style and its actual influence on tourism economy development. Voivodeship authorities use both active and passive instruments of tourism policy affecting directly the level of tourism economy development. Some authorities limit themselves solely to using passive administrative instruments, e.g. tasks assigned from the scope of government administration operations, means a reluctant, conservative or only declarative attitude to tourism economy development. In consequence, it determines the low level of tourism economy development. Such activities of voivodeship authorities result from the conviction that an attractive tourist area is a sufficient base for retaining a position in the tourism market. Passive instruments maintain the state of tourism economy at the same level, however, they do not develop economy and in the long term they lead to limiting the role of an area as a tourist destination. The steady and progressive development of tourism economy is guaranteed by activating of authorities into protourist initiatives with the use of active instruments. The principal premise for these activities being successful is an active cooperation between institutions (appointing and cooperating with regional tourism organization, supporting cluster structures), the involvement in investment through one’s own resources and EU funds and the influence on creating local and regional tourism products.

Tourism policy as a way of influencing the tourism industry

The key task of the regional tourism policy should be constituted by actions directed to direct providers of tourism services that determine the actual income arising from servicing tourism movement, i.e. to the tourism industry. The scope of the government policy in relation to the tourism industry is a derivative of a general economic policy. Tourism economy entities are beneficiaries of the policy, similarly as other entrepreneurs in the market. Among the tasks addressed in relation to tourism enterprises, one can distinguish following aspects:

- encouragement of the development of tourism infrastructure,
- creation of conditions for the modernization of the material base of tourism,
- stimulating actions that improve efficiency of tourism enterprises,
- state aid (including grants),
- institutional support and investment.

The role of tourism in the development of the whole country is determined by key strategic documents (Kozak, 2009, p. 210-212).
The most important government document in Poland is *Directions for Tourism Development until 2015*. The basic premise of this document is to treat tourism as a field closely connected with numerous development processes and their formation in a way that is consistent with other objectives of socio-economic development of the country. The document was supposed to encourage the creation of a strong foundation of tourism economy. It also indicates actions, which require involvement of all stakeholders of tourism development, for example, local authorities, non-governmental organizations, entrepreneurs, industry organizations, the scientific community.

The main goal of *Directions* is to create legal, institutional, financial and human resources conditions for tourism development that would promote socio-economic development of Poland and increase the competitiveness of regions and the whole country, while simultaneously preserving cultural and natural values. Priority areas for strengthening growth and harmonious development of tourism have been identified, namely:

1. Highly competitive tourism product,
2. Development of human resources for tourism development,
3. Marketing support.
4. Shaping the tourism space.

The analysis of Polish tourism economy carried out in the document proves that the implementation of *Directions* can contribute to the development of Polish tourist offer. However, the participation of entrepreneurs that created that offer was omitted and this problem was left to local authorities.

The foundation of tourism economy is tourism industry entities. The original version of the document prepared in 2005-2008 (*Strategy, 2005*) had an additional fifth priority area - *Institutional support*, which included direct reference to the tourism industry. In the end, when *Directions* was accepted in 2008, the scope of cooperation between government bodies and large tourism enterprises, domestic and foreign tycoons was not included (Panasiuk, 2008b, p. 123-127).

Therefore, a document in force, which is *Directions*, almost completely omits the role of the tourism industry. Direct providers of tourist services are marginalized in the provisions, even though their activity determines how the expectations of consumers (tourists) are met. The fact that tourism reception area is shaped by tourist values, the state of tourism infrastructure and local government’s actions should be taken into account. It should be also noted that service providers, i.e. tourism industry entities, have a decisive role in satisfying tourist that come to a destination place. Among strategic objectives and actions, municipal authorities have a privileged position in the *Directions*. This is also reflected in granting financial support for implementing these strategic
objectives and actions. The authorities’ task should be mainly to create conditions for the operation of tourism economy, especially including tourism economy entities. Current practice shows that the funds for tourism development are consumed by municipal authorities and are created in cooperation with local government and the tourism industry and organizations. Only a narrow range of the EU and budget funds for tourism reach the direct tourism economy.

Even though institutionalized forms of cooperation between local government and the industry are created in regional tourist areas, the sheer participation of these entities in tourism organization does not ensure strong enough cooperation in the field of creating comprehensive area-based tourist offers. One should strive to achieve unilateral and equal participation of both supply-sides in market activities and the regulations behind their financing.

The problem of not recognizing the need to cooperate with the tourist industry also applies to another vital strategic document, which is Marketing Strategy for Poland in Tourism Sector for 2008 – 2015, and later for 2012-2020, which was developed and implemented by Polish Tourism Organization.

European Union funds in tourism economy on an example of the Zachodniopomorskie voivodeship

Despite the relatively extensive experience related to obtaining financing for tourism economy projects through EU funds which goes back to pre-accession period of the 90s, and funds for forming Polish Tourism Organization, but also the involvement of regions and municipalities in creating a framework for international cooperation in the tourism industry and financing tourism projects, there is a lack of systematization of activities in this aspect. Above all, it pertains the engagement of tourism economy entities inobtaining funds, training personnel and the amount of obtained, spent and successfully settled funds. Additionally, it is hard to evaluate how EU funds contribute to the development of regional tourism economy, what influence they have on the tourist attractiveness of areas, to what extent they influence the level of tourist movement and the growth of income in the inbound tourism industry (foreign and domestic), and finally how they affect regional economy, labour market and the quality of life of inhabitants from tourist areas.

The main source of contributions from European funds to tourism economy during the financial perspective 2007-2013 was regional operational programmes. Voivodeship executive boards are institutions that manage ROP. For example, local authorities and tourism organizations from the Zachodniopomorskie voivodeship could obtain sup-
port for tourism investment from priority axis 5 “Tourism, culture and revitalization”. Tourism economy measures and sub-measures enumerated in priority axis 5 are: the tourism infrastructure, the development of culture, the protection and preservation of cultural heritage, bicycle paths, promotion, the protection and valorisation of natural heritage, revitalization and the JESSICA initiative. Moreover, tourist investment projects which beneficiaries were local authorities and tourism organizations could obtain financing in the framework of priority axis 6 “The development of metropolitan function”. In this axis, the following measures concerning metropolitan area were allocated: tourist infrastructure, increase of cultural attractiveness, bicycle paths, integrated public transport system, intelligent transport systems, and revitalization. Tourism enterprises could have applied for financial support from priority axis 1 “Economy-Innovations-Technologies”, where they obtained financing for: projects that increase competitiveness, the improvement of innovation in SME sector, making specialized advisory aid more accessible and foreign promotion.

Other programmes that support tourism economy and should be listed are:

1. The Rural Development Programme for 2007-2013 (development of agritourism, tourist information, promotion of tourism).
2. The European Territorial Cooperation – mainly INTERREG IV A: Poland (the Zachodniopomorskie voivodeship), Mecklenburg – Vorpommern / Brandenburg (shared cross-border tourist products, tourism infrastructure, water tourism, investments in order to develop tourist offer and improve the quality of the existing tourism infrastructure (cycle, water, horse, nature and cultural tourism)).
3. South Baltic Cross-border Cooperation Programme in the period 2007-2013 – the programme’s main objective was to strengthen the sustainable development of the South Baltic area through joint actions designed to increase competitiveness and enhance integration among people and institutions.
4. The Human Capital Operational Programme financed by European Social Fund. Following areas were financed: training, courses, studies and other forms of raising general and professional qualifications, but also research and analyses related to tourism economy (both for employees of tourism enterprises, local authorities and tourism organizations).
5. Other forms, for example, those arising from the activity of Zachodniopomorskie Regional Loan Guarantee Fund, “Fundusz Mikro” and Regional Loan Programme Pomeranus.

Local authorities in the Zachodniopomorskie voivodeship base their actions mainly on the Strategy for Tourism Development in the Zachodniopo-
morskie Voivodeship until 2015 (Strategy). The structure of that document is based on a concept of country-wide Directions for Tourism Development until 2015. Its scope of interest is a continuation of a previous document that was binding until 2006 but also includes new tasks. The suggested system of project financing is mainly based on a possibility of obtaining resources from EU funds. As in the whole country, EU funds for tourism objectives were dedicated first of all to local authority bodies.

**The scope of engagement of tourism economy entities in applying for European Union funds between 2007 and 2013 in selected regions of Poland**

An analysis of EU funds use was conducted using demoscopy research, i.e. a personal interview, in the tourism economy of municipalities in the Zachodniopomorskie and the Lubuskie voivodeships. The first stage of the research encompassed all municipalities in both voivodeships and it involved investigating the use of EU funds for tourism objectives. During the second stage, 31 municipalities (15% of all) were chosen on the basis of these two following criteria:

- the volume of applications for EU funds for socio-economic development of municipality in the financial perspectives 2004-2006 and 2007-2013,
- recognisability of a municipality as a tourist destination.

Survey research was conducted on representatives of municipal authorities in June 2012. The scope of the research included both municipalities as local authorities and also projects undertaken by them.

For EU’s financial perspective 2007-2013, all of 31 municipalities applied for and obtained funds for tasks related to tourism economy. Whereas in the previous EU perspective only 2/3 of analysed municipalities applied for funds for tourism. On average, there were only 5 projects proposed per municipality. If we assume that the responses to questions pertained 2007-2011 it means that, on average, each of the analysed municipalities applied for EU funds for tourism objectives once a year. The efficiency of actions aimed at receiving funds for tourism economy was 58%, i.e. considerably more than a half of the projects obtained financing. Although one municipality applied for funds for tourism objectives 14 times and it obtained financing 10 times.

Applying for EU funds, application procedures, finance and settlement conditions of projects are high barriers for self-government authorities. Following barriers were considered the most significant for municipalities:

- the need to provide own contribution (55% of municipalities consider it as a considerable barrier)
- rules on reimbursement of expenses incurred (48% of municipalities),
preparation of extensive documentation (45% of municipalities).

The structure of Regional Operational Programmes is one of the additional issues connected with EU financing of tourism projects, as they are the main source of EU funds for tourism objectives. More than a half (52%) of application was sent to ROPs, which are managed by voivodeship authorities. Tourism-related objectives are linked to cultural tasks. Hence, a significant amount of resources, including higher allocation of funds, was used for culture-related activities (e.g. revitalization of cultural monuments, cultural facilities operations). Admittedly, cultural activities often facilitate the development of tourism; however 67% of municipal authorities see such a solution as unprofitable for tourism economy from the point of view of accessibility to resources.

Municipalities recognized the following as main benefits related to implementation of EU tasks in tourism economy area:

- the quality of life of inhabitants (96% of municipalities),
- the quality of tourism infrastructure (96% of municipalities),
- the touristic image of a municipality (96% of municipalities),
- the volume of tourism movement (71% of municipalities).

Other benefits that can be connected with influencing the tourism industry, among others, are:

- an increase of competitiveness of tourism economy,
- an increase of entrepreneurship in tourism economy entities,
- an increase of income of tourism economy entities,
- a possibility to create tourism product chains, including cross-border ones,
- the creation of new forms of tourism,
- the creation of new tourist offers.

The abovementioned benefits enable local authorities to implement direct and indirect objectives related to the development of tourism economy. The implementation is also possible, to a slight extent, thanks to cooperation with entities that directly provide tourist services.

The analysis of the state of engagement of tourism entrepreneurs from both regions in applying for EU funds is a supplement to the research on the use of EU funds by municipalities. The primary premise of the research is to establish to what extent a municipal authority commits oneself to cooperation with tourism economy entities in terms of obtaining financing for tourism development. Primary research among entrepreneurs in the tourism industry was conducted between December 2012 and January 2013. The scope of research included the volume of applications and the state of using EU funds in the financial perspective 2007-2013. An invitation to fill in a survey was sent to more than 270 entrepreneurs. There were 38 responses collected (i.e. about 14%), out of which 29% of responses (11) came
from the Lubuskie voivodeship and the remaining 27 (71%) from the Zachodniopomorskie voivodeship. The analysed tourism economy entities were most commonly micro-enterprises (64%) and small enterprises (29%). Most often the respondents were engaged in activities related to tourist attractions maintenance (15), hospitality (6) and travel agencies operations (4).

The research showed that only to small extent were tourism enterprises encouraged to undertake actions aimed at obtaining EU funds for tourism objectives. Only around 18% of enterprises have received an incentive from municipal authorities, which are potential direct partners for implementation of tourism projects. The level of activity among tourism enterprises in terms of applying for funds is around 26%, while 8 out of 9 enterprises that have applied were granted funds. In comparison to the analysed local authority institutions, the level of activity of analysed enterprises was significantly lower, as all researched municipalities from both voivodeships applied for EU funds for tourism development between 2007 and 2013. Among the reason behind the lack of activity in terms of applying for EU funds for development, tourism enterprises most often pointed to bureaucracy (63%), not fulfilling the aid criteria (36%) or no need for support from EU funds (16%).

Finding the reasons of low interest in possibilities of obtaining subsidies from EU funds among tourism enterprises was an essential area of the research. The following major obstacles to applying for funds were indicated: a complicated procedure (63%), the need to provide own contribution (42%), the shortage of properly trained personnel (26%), no willingness from local authorities to cooperate with entrepreneurs (17%) and the need to conduct possible public procurement procedures (17%).

Research findings prove that tourism enterprises apply for EU funds considerably less often than local authorities. Additionally, the local government did not create foundations for cooperation in terms of obtaining and expending EU funds for tourism economy development, despite the functions it has in tourism economy.

The evaluation of actions of regional tourism policy entities in terms of EU funds use.

Local authorities have a decisive role in implementing tourist function at the regional and local levels. Direct tourism economy entities, especially tourism entrepreneurs, conduct activities within the scope of providing tourist services. Cooperation between local authorities and tourism industry entities is a base for tourism economy operations, and thus implementation of synergy effects. The use of EU funds is
an active instrument of local authorities actions that enables a comprehensive development of tourism economy. Activities within that scope should be undertaken both independently by local authorities, but also in cooperation with tourism organizations and enterprises.

Comprehensive research showed that the main beneficiaries of EU funds for tourism economy are local authorities [Panasiuk 2014]. Whereas tourism entrepreneurs mainly benefit from a dedicated support for business entities from SME sector.

From entrepreneurs’ point of view, it appears that during the financial perspective 2007-2013 the activity of municipal authorities was limited to carrying out initiatives related to EU financing of tourism projects independently, without a will to cooperate with tourism entrepreneurs. Hence, the cooperation in terms of development of local tourism products was rather limited and the development needs of tourism entrepreneurs were almost not seen.

Recommendations for the tourism development strategy in financial perspective 2014-2020

The issue of changes in terms of facilitating awarding EU funds that were suggested by tourism enterprises’ representatives should be taken into consideration during the next EU’s financial perspective. According to research, above all it is essential to introduce changes in the application settlement procedure (47% of recommendations), streamline the application structure (45%), reduce delays in reimbursement of expenditures (42%) and provide conceptual support from a financing institution (37%).

Looking at the issue in a broader perspective, we should comment on the government strategic documents on a comprehensive development of tourism economy in which spatial aspects are emphasized. The priority areas of reinforcing the dynamics and harmonization of tourism development defined in Directions for Tourism Development until 2015 encompass, as previously stated: the development of tourism products, human resource development, marketing support and the development of the tourist space. The main premise of this document was to approach tourism as a field strictly connected with numerous development processes and to shape it in tune with other socio-economic development objectives of the country. The implementation of the document’s principles was supposed to support building strong foundations for tourism economy, increase the competitiveness of Polish tourist offer on the domestic and international markets, and use tourism as an important factor that would support entrepreneurship. However, the referred strategic document practically did not point to particular actions connected with using EU funds for the development
of a typical direct tourism economy. It is expected that, for the up-
coming EU financial perspective, a government department respon-
sible for tourism will prepare a new document for the period until
2022, which will be then accepted by the government. Such document
should explicitly point out what the strategic activities of the coun-
try in terms of tourism economic are, where funds from European
Union’s support should be allocated to. The following main areas of
support should be listed:

- the development of passenger transport system that would focus
  on the needs of tourist movement (especially rail and air trans-
  port), although these activities are outside of the Ministry of Sport
  and Tourism’s competences, but the ministry should cooperate
  with the ministry responsible for infrastructure,
- impact on the development of the tourist space, including the
  development of tourist facilities that would extend the tourist
  season and create new forms of tourism,
- actions directly aimed at tourism entrepreneurs and the develop-
  ment of tourist offer,
- actions aimed at tourist demand that would be mainly connected
  with social tourism and financing tourism of social groups (sen-
  iors, children and teenagers, disabled people); mobilisation of
  some social groups would increase the volume of use of tourist
  base and directly influence the results of the tourism industry.

The most crucial aspect of EU support for tourism economy per-
tains to the regional level. The basic source of financing is regional
operational programmes. Available data show that in the next financial
perspective there will not be any actions directly dedicated to tourism
economy in the programmes. Additionally, financial support will be
limited to about 50% of planned costs of tourism projects. It means
that the beneficiaries will have to obtain larger own contribution for
tourism projects. Such change will probably reduce the number of
applications for tourism economy objectives filed by local authorities.
Lack of clear emphasis of support for tourism objectives does not
mean that tourism economy entities will be excluded from EU financ-
ing. However, it will be harder to indicate priorities related to the de-
velopment of tourism economy in operational programmes. The issue
of coexistence of tourism and culture will also become marginal. In
previous financial perspectives, it limited the possibility of obtaining
funds for strictly tourist objectives. The main scope of financing will,
among others, include innovations and so called creative industries. It
seems that there should be some mechanism functioning in this as-
pect and first of all there should be some special actions directed to
direct tourism economy entities that were marginalized in the previ-
ous financial perspectives.
At the microeconomic level, strategies are developed by tourism enterprises. They have the most specified and market scope, as they are a concrete action plans, and they formulate main objectives and response policy. Conducted analyses show that only to small extent were tourism entrepreneurs the beneficiaries of EU funds for their market activities. They were not also perceived as partners to cooperate with in terms of activities undertaken by local authorities. It seems that indicated EU financing priorities in the new financial perspective should favour entrepreneurs. Hence, local authority bodies that want to obtain financing through EU funds will more eagerly cooperate with direct tourism economy entities in order to realize joint tourism projects. Thus a broader implementation is to be expected in terms of public-private partnership in tourism economy. Therefore, an important issue that need model solutions is enabling access to financing of activities within the scope of the development of tourism economy by as large range of entities that created it as possible. Thus, entities that will have a possibility to apply for EU funds in terms of tourism projects should include:

- tourism enterprises,
- local authority bodies,
- tourism organizations,

Projects realized in cooperation by the abovementioned entities should constituted a special area of EU support. Then, EU funds will directly determine the development of tourism enterprises, as well as the whole local and regional tourism economy.

CONCLUSION

A synthetic summary of presented considerations show that the basis for the development of regional tourism economy is developing a tourism policy through making active instruments (economic, institutional) more prevalent than passive instruments (administrative and especially declarative) in the structure of local authorities’ actions. This should be done while retaining essential range of obligatory activities that stem from the provisions of self-government law and the Tourism Services Act. Comprehensive cooperation is the base for effective operations of tourism economy. European Union funds managed by voivodeship government as part of ROP constitute an active formula for implementing regional tourism policy, which unfortunately is not completely effective.

Obtaining financing from EU funds should result in raising the tourist attractiveness level of areas. The scope of actions carried out in tourism economy, both in case of local authorities and tourism en-
enterprises, determine the development of regional and local tourism economies of the two analysed regions.

It will be possible to propose actions necessary to change the structure of regional operational programmes and the tourism development strategy to authorities managing EU funds thanks to the conducted diagnosis of the tourism enterprises’ engagement in applying for EU funds and the evaluation of EU funds use in tourism economy. One of the important problems is the issue of expanding the availability of EU funds for business entities (tourism enterprises – hospitality sector, transport sector, travel agencies and other entities responsible for available offer at tourist destinations). Higher percentage of tourism entrepreneurs that use EU funds should ensure a more dynamic development of tourist offer, tourism development and have a real influence on economic growth of regions, the labour market and the quality of life of inhabitants.

It should be emphasized that tourism economy contributes to socioeconomic development of the country. Only active cooperation between local authorities, tourism organizations and tourism enterprises can result in expected effects that would be in line with implementation of provisions in strategic documents. The conducted research can be the basis for determining the objectives for the development of tourist areas and it should be the foundation for shaping actions for regional tourism policy for the next EU financing perspective, i.e. 2014-2020.

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THE ETHICAL AND LOCAL DIMENSIONS OF SUSTAINABLE DEVELOPMENT IN RELATION TO SMALL AND MEDIUM-SIZED FIRMS PARTICIPATING IN TOURISM-RELEVANT PROJECTS

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ABSTRACT: This study investigates the case of local small and medium-sized companies involved in tourism-relevant projects that can contribute to sustainable development. The aim is to discuss and present an approach to sustainability in tourism that includes the ethical dimension and that represents the local dimension of the tourism phenomenon well. A case study strategy is adopted to investigate and illustrate the proposed approach. The case concerns a collaborative project aiming to retrieve a path along the coasts of the island of Elba (Italy). This study concludes by proposing an approach to sustainability in tourism in which the following elements are considered crucial: the local entrepreneurs’ sense of attachment to and responsibility for the territory, their concern about the quality of life of the local community, their role as change agents and their understanding of ethics as practice, and the presence of both private and public actors from the tourism sector as well as other sectors. Keywords: sustainability, responsibility, ethics, entrepreneurship, collaboration.

INTRODUCTION

This study aims to discuss and present an approach to sustainability in tourism that can be relevant to the case of collaborative projects. The focus is on small and medium-sized firms that actively participate in such projects.

Since the report Our Common Future by the Brundtland Commission (WCED, 1987), sustainability has been approached, both in theory and in practice, in various ways. In the tourism context, the term “sustainable tourism” has been broadly used. In general, it can be said that this term indicates a beneficial form of tourism that can affect, both in the short and in the long run, the economic, socio-cultural and environmental context in which the tourism activities take place.

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Although widely used, the concept of “sustainable tourism” has also been criticized. In the tourism literature, a tendency to give the tourism industry quite a dominant position in the debate about sustainability has been noted by some scholars (Saarinen, 2006). These scholars reject explicitly a tourism-centric view and prefer to consider sustainability in tourism as one among several paths contributing to regional development.

This study concerns tourism projects that are not labelled as “sustainable tourism projects” but that are tourism-related and can contribute to the sustainable development of the specific area.

As mentioned above, the focus of this study is on the small and medium-sized firms that join collaborative tourism- and sustainability-relevant projects. The research questions are formulated as follows:

• How do small and medium-sized local firms participating in collaborative tourism-relevant projects view their contribution to sustainability and that of the projects?

• Which are the central elements of an approach to sustainability in tourism that take such a view into consideration?

The research questions are investigated through a case study (chapter 3) and its discussion (chapter 4) based on some relevant theoretical contributions (chapter 2).

THEORETICAL BACKGROUND

This chapter starts by presenting the concept of collaboration, paying particular attention to sustainability (chapter 2.1). The chapter continues by focusing on the case of local small and medium-sized enterprises (chapter 2.2) and on the issues of responsibility and ethics (chapter 2.3). At the end of the chapter, this study’s position is summarized (chapter 2.4).

Collaboration and sustainability

Collaboration has been broadly recognized as one of the major critical factors for the implementation of projects of sustainable development (UNEP and WTO, 2005; Moore and Weiler, 2009; Erkuş-Öztürk and Eraydın, 2010; Wegner et al., 2010; Pansiri, 2013). As noted by Jamal and Getz (1995), one of the main functions of collaboration is to advance shared visions. Sustainable development through collaborative tourism projects can be interpreted as one of these visions.

Several studies have investigated the issue of collaboration, partnerships and networks that include various actors belonging both to the private and to the public sector (Beaumont and Dredge, 2010; Erkuş-Öztürk and Eraydın, 2010; Zapata and Hall, 2012; Pansiri, 2013;
Since the publication of *Strategic Management: A Stakeholder Approach* by Freeman (1984), collaboration in tourism has been studied by some scholars applying the stakeholder framework (for example, Sautter and Leisen, 1999; Sheehan and Ritchie, 2005; Timur and Getz, 2008). The term “stakeholder” indicates those individuals or, usually, groups of individuals who can influence tourism development and are affected by it.

The identification and analysis of stakeholders and the relative relationships have been studied with regard to several cases, including tourism development in rural and protected areas and sustainability (Hall, 2008; Haukeland, 2011; Hewlett and Edwards, 2013; Waligo et al., 2013; Komppula, 2014). Here, the following categories of stakeholders are usually identified in the literature: tourists, industry, local community, government, special interest groups and educational institutions.

Among the various stakeholders, both tourism academicians and practitioners recognize the relevance of the local community to sustainability (Simpson, 2001; Goodwin, 2002). In particular, the local community’s sense of ownership, feeling of responsibility and practical involvement in tourism projects have been indicated as crucial (Simpson, 2008).

**Place attachment and embeddedness**

Local small and medium-sized enterprises are typically embedded in local business networks, social structures and interpersonal relationships, a characteristic that tends to create both business constraints and business opportunities (Jack and Anderson, 2002). As a consequence, these enterprises can be viewed as particularly important stakeholders as they belong to the local community and are active participants actors in the local economy.

It has been noted that local small and medium-sized enterprises usually have a strong attachment to the local context. This consideration can be related to the concept of place attachment (Stokowski, 2002; Saarinen, 2004). Several scholars have argued that places, as physical and social environments, are vital to the development of a person’s self-identity, understood as his/her sense of meaning and stability in life (Dawson, 2012).

It follows that individuals, including entrepreneurs, tend to attach to a place, especially in the case of their place of origin and where they live and work, a particular meaning. This can lead to the perception of a form of responsibility toward the specific place. This position is supported by a recent study concerning rural tourism that emphasizes how local entrepreneurs tend to take responsibility for the development of tourism at the local level, more than is usually indicated in the literature (Komppula, 2014).
Responsibility and ethics

The concept of sustainability is strictly related to the issues of responsibility and ethics. There is an extensive body of literature concerning responsibility in tourism (Goodwin, 2011) and a central question in this context concerns the identification of the actors who have the responsibility for tourism development.

Recognizing as the conditions of responsibility the subject’s role in the causal chain leading to possible negative outcomes and the freedom and power to influence the outcome (Stahl, 2005), the tourism literature and practice have traditionally indicated tour operators, hotels and airlines as the main subjects of responsibility (Kasim, 2006; Henderson, 2007; Coles et al., 2011). Furthermore, tourists, in the role of critical consumers, have been signalled as being responsible for the sustainable development of the industry (Goodwin and Francis, 2003).

Adopting a business perspective, the concept of corporate responsibility (CR) has been broadly explored and applied (Font et al., 2012; Coles et al., 2013). CR usually refers to businesses’ commercial and non-commercial responsibilities in regard to the well-being of the community that the businesses’ activity influences and along the three main dimensions relative to their economic, social and ecological effects (Dahlsrud, 2008). Moreover, CR has been indicated as a factor that can influence an organization’s brand and reputation positively, while supporting societal objectives, as a form of strategic or altruistic philanthropy (Lantos, 2001). Examples from the tourism context are actions that can contribute positively to the socio-cultural and natural environment, creating value for the tourists as well as the locals, for instance sponsoring events and participating in the maintenance of the cultural heritage (Lamont and Dowell, 2008; Polonsky et al., 2013).

In the case of developmental and tourism-related projects, some scholars have studied how collaboration also implies that the responsibility is somehow shared among different subjects. Some of these studies indicate that the inclusion of several stakeholders and the active participation of the local communities could contribute to a more practical approach to sustainability and its implementation through responsible behaviours (Ryan, 2002; Simpson, 2001; Simpson, 2008).

Some recent tourism studies have focused on ethics-related issues, indicating justice and care as the main ideas behind a sustainable approach to tourism (Spiller et al., 2011; Jamal and Camargo, 2013). In this context, it has been noted that sustainability and responsibility could be approached by rejecting the idea of the existence of abstract, fixed and universal principles to which firms have to adapt. In this sense, acting morally is described as a situated process. This aspect can be related to post-modern thought, according to which ethics can be viewed as a form of practice (Clegg et al., 2007).
In the business literature, some scholars have focused their attention on small and medium-sized enterprises and indicated the necessity of a specific approach to such cases, in which elements such as altruism, personal values and social priority can play an important role (Hemingway, 2005; Jenkins, 2006; Anderson and Smith, 2007; Fassin, 2008; Harris et al., 2009; Blundel et al., 2010; Tamajón and Font i Aulet, 2013). This aspect is also present in the tourism literature, in which some scholarly contributions have investigated the case of family firms and “lifestyle entrepreneurs” in relation to their commitment to sustainability (Ateljević and Doorne, 2000; Carlsen et al., 2001; Getz and Carlsen, 2005). Some scholars have suggested that small firms might be considered to have a greater affinity with the values of sustainable development than large companies (Vernon et al., 2003).

The latter element can be related to an aspect present in post-modern thought, particularly that of sociologist Zygmunt Bauman. According to such a position, taking responsibility, also in business contexts, is essentially a personal pursuit and it can be the result of an individual’s emotions rather than reason. Individuals are viewed as the central subjects of moral action, they are part of a network of relations and their acting morally can be described as “being for the other”, an attitude that is strictly influenced by the individuals’ emotions (Kelemen and Peltonen, 2001).

**This study’s position**

This study proposes an approach to sustainability in tourism that can be particularly relevant to the case of collaborative projects in which small and medium-sized firms participate.

The starting point is that, due to their embeddedness and sense of attachment to the local area, local entrepreneurs who participate actively in collaborative projects can hold a particular view concerning sustainability and their responsibility in promoting it. This form of responsibility can be described by adopting the idea of responsibility as a personal pursuit, strongly influenced by the individual’s values and strictly linked to the specific context.

The proposed approach is elaborated and illustrated on the base of an empirical case, to which the following chapter is dedicated.

**EMPIRICAL STUDY**

This chapter describes an empirical case relating to a collaborative tourism-relevant project that can contribute to the sustainability of a specific area. The case concerns a project of retrieval of sev-
eral paths and merging them into one path that runs along the coast of the island of Elba (Italy). This project constitutes a collaboration among a fragrance company (*Acqua dell’Elba, Water of Elba*), a tourism micro-business (*Econauta*), a non-profit environmental organization (*Legambiente, League for Environment*) and a national park (*Parco Nazionale dell’Arcipelago Toscano, National Park of the Tuscan Archipelago*). The path is denominated the *Via dell’Essenza* (*The Fragrance Route*).

**Method**

The case is investigated through the collection of secondary and primary data. Some of the secondary data were collected online, including video footage about the inauguration of the project including interviews with the representatives of the participants, several short articles about the project from the local newspapers and information about the project from the webpage of the fragrance business. Additional secondary data about the presence of walking and hiking paths on Elba were collected in the field, by visiting the information office of the main town on Elba.

Primary data concerning the project as the object of study were collected through interviews with the following individuals: the partners and the individual responsible for marketing of the fragrance enterprise, the owner of the tourism micro-business and the director of the park. Due to practical reasons, these interviews were performed differently: two interviews were performed through video calls by Skype, one interview was conducted face to face and one interview was carried out by telephone. The representatives of the two firms were asked direct questions about the motivation behind their participation in the project and their relative involvement as well as the relevance of the project in terms of tourism and also in regard to the local community. The interview with the park director aimed to gather information about the situation concerning the paths on the island and the existence of projects for their retrieval and maintenance.

In addition to the *Via dell’Essenza* project, a project concerning the retrieval of another path was also investigated: the *ElbaVerdemare (Elba Green Sea)* project. This project was investigated in order to find possible common and divergent elements between the two projects. The *ElbaVerdemare* project, also supported by the park, has as its main participants an agro-tourism business situated along the path and a cooperative of guides. Data were also collected in this case: an informative brochure from the tourist office and two telephone interviews with the main participants, the owner of the agro-tourism and the representative of the cooperative, who is also a guide.
The island of Elba and the Via dell’Essenza project

Elba is an island off the Tuscan Archipelago, in the Tyrrhenian Sea. It covers an area of 244 km² of which approximately half part belongs to the National Park of the Tuscan Archipelago.

The local nature is the main tourist attraction of Elba. Elba can be described as a sea, sun and sand destination, with a high season from June to September. Although to a lesser extent, the presence of tourism can also be observed in spring and autumn, when tourists are attracted by the possibilities of hiking, cycling and horse riding. Such forms of tourism have recently been encouraged by several initiatives promoted by the park, among which is the Walking Festival. Within this event, several trips are arranged, usually during the weekends of traditionally low-season months. These trips include some sporting activities (mainly walking and hiking) as well as cultural activities (for example visits to the local museums and food and wine events).

The total length of the paths on Elba is approximately 250 km, with several paths located both within the park and on private property. These paths require considerable work in terms of maintenance and the park has recently arranged a campaign to recruit individuals and groups that can help in this direction. Such a campaign, denominated Adotta un sentiero (Adopt a Path) has until now involved various subjects. The vast majority are local actors, some strictly connected to the tourism sector, as hotel owners and guides, and others from the broader context, mainly local cultural and sport groups.

Differently from the other projects within the Adotta un sentiero campaign, the Via dell’Essenza project has a broad scope. As mentioned above, the participants in the Via dell’Essenza project are a fragrance company (Acqua dell’Elba), a tourism micro-business (Econauta), a non-profit environmental organization (Legambiente) and a park (Parco Nazionale dell’Arcipelago Toscano). Another peculiarity of the project is that a firm that is only indirectly linked to the tourism sector is involved, the fragrance company.

As part of the Elba area belongs to the park, the park’s support of the project is necessary in order to gain permission to operate in the area. The park’s participation in the project is also important to support the promotion of the path through its communication and marketing channels. The national environmental organization Legambiente is also a participant in the project. Its participation, together with that of the park, gives strategic support to the project, especially in terms of legitimacy.

Although such an important role is played by the park and the environmental organization, it is the two companies that can be identified as the main and more active participants, both in the planning and in the implementation of the project. Acqua dell’Elba has its office and production facilities on the island. The main products of the compa-
ny are perfumes and home fragrances inspired by and produced on the base of the local vegetation. The products are distributed mainly in single-brand shops on the island and in perfume shops throughout the rest of Italy. The target group of the company comprehends but is not limited to tourists. The company is run by three partners, who, as it was emphasized during the interviews, have the common factor of being “elbani” (from Elba).

The other company is Econauta, a one-person business that organizes nature-based tours. Furthermore, the person behind Econauta, an experienced naturalistic guide, is “elbano” (from Elba). Econauta is involved in the planning of the path together with the other participants, and, having the necessary competence and skills, is responsible for the implementation, which is performed by the company owner, sometimes helped by another local guide.

The Via dell’Essenza project was officially presented to the public in 2013. In 2003, Acqua dell’Elba was already involved in financing the retrieval of two paths on the island. This initiative was one of the company’s social responsibility activities, which, initially, covered four areas: art promotion, protection and conservation of the natural environment, and support for cultural and social activities. In a later phase, the company decided to concentrate its resources on one of these areas, namely the natural environment. In accordance with and thanks to the competence of Legambiente and Econauta, the company’s initial idea of restoring paths developed into a more complex, structured and, as it was qualified by one of the partners of the fragrance company, ambitious project, the Via dell’Essenza.

On the base of the retrieval of mostly existing paths, the objective of the Via dell’Essenza project is to develop a path that runs along the coast of Elba for a total of approximately 127 km. In addition, data concerning the path and the local vegetation are meant to be collected in a photographic archive. The path is divided into 12 parts, each dedicated to a month of the year during which a particular aspect of the macchia mediterranea (Mediterranean scrub) can be experienced.

At the time of the present research (2013), the north-eastern part of the path remains to be developed, something that is planned for the coming two years, together with the organization of the signs and information material, probably through the adoption of ICT solutions and in collaboration and with the support of the park.

The role of the involved firms and their perspective on the project and its contribution to sustainability

As mentioned before, the idea by Acqua dell’Elba of restoring some existing paths is not particularly recent. The idea of developing such
an idea into a broader project originated from the strategic choice of the fragrance company to concentrate its resources on one of the four areas of responsibility. Also decisive was the company’s dialogue with *Econauta*. During the interviews, this initial phase of the project was described by the representatives of *Acqua dell’Elba* by referring to the passion toward the natural environment shown by the owner of *Econauta* and by the latter referring to the enthusiasm shown by the partners of *Acqua dell’Elba*.

The terms “passion” and “enthusiasm” were used several times during the interviews. These and similar expressions were used when describing the project and, even more often, when describing the sense of attachment of the project participants to the island. The island was often qualified as “our island”, and several times comments were made about the attachment an individual can feel to the island due to his/her “being elbano/-a” (being from Elba). One partner of *Acqua dell’Elba* referred to his attachment to Elba as a very deep emotion: in his words, “a feeling that is difficult to describe to those who are not from here, who are not islanders”.

The entrepreneur behind *Econauta*, who has been guiding tourists on Elba for approximately 20 years, said that he had the idea of offering tourists the possibility to walk all around the island on the basis of his experience of the tendency of walkers to try to find paths along the coast when on an island. Remembering the origin of the project, he said that, after spending a long time trying to promote this idea, he was extremely happy to find someone who shared his vision – *Acqua dell’Elba*. Similarly, one partner of the fragrance company qualified the project as “a dream becoming true”.

According to the company partners, the project represents well the company’s tenet about the natural environment as a unique and crucial resource that has to be maintained and developed. The *Via dell’Essenza* is viewed by the company’s partners as quite an innovative project that can fulfil this function. During the official presentation of the project, the president of the park commented on the project, describing it as a unique case of collaboration and sponsoring. During the same event, as well as during the interviews, the project was also described by the company partners as responding to the company’s intention to contribute to the local community and territory. This element is also clearly stated in the catalogue of the firm:

“We are proud of our origins as islanders and we are convinced that the duty of young entrepreneurs who live in this place is to give back part of their incomes to the local community and the territory.”

The beneficial aspects of the project in relation to the local community were mentioned several times during the interviews, by the representatives of the company as well as by the entrepreneur of *Econauta*.
In this context, the expressions used were “creating value for the island” and “emphasizing the value of the territory”. Such expressions were explained by adopting a tourist perspective and also in a broader way focusing on the local community as a whole. In regard to tourism, it was observed that a path along the coast can be particularly attractive as it allows beautiful views, in addition to the possibilities of walking at different altitudes and on different types of terrain.

Still from a tourist perspective and including broader considerations as well, the representative of Acqua dell’Elba commented on the necessity for the local people to know the territory in order to being able to sell it to the tourists. In this sense, the path, used by the locals during their free-time activities, is viewed as a means to help the locals to know their own land better and to discover or rediscover particular aspects of the territory, which can then be promoted to the visitors.

Despite these considerations concerning the role of the project in the tourist context, the main focus of both companies seems to be on the local community. The owner of Econauta said:

“An important idea of this project (...) is to create the possibility for the elbani (people from Elba) to know the island. The knowledge of the territory is important to make the local economy and ethics flourish. (...) Here on Elba, we all come from families of farmers, or miners … people who had a very close contact with this land … and now it is important for the elbani to go back to these places where our grandfathers and dads used to live and work.”

In addition to this element, which is clearly related to a strong sense of belonging and place attachment, he also commented on the form of tourism that is present and can be further developed on the island. He said that walking and hiking possibilities help the local economy considerably. He specified:

“It helps the real economy … I mean the reality of the small and all-year open enterprises … it is not the big hotel that opens only in the summer and uses personnel from other places … these tourists who come to walk are different: they use the local shop to buy food, they stop at the local bakery and stay at small accommodation facilities.”

Based on his direct experience when working along the path, Econauta means that the project is welcomed greatly by the local population. The conflicts have been few and all related to cases in which the path crosses private land belonging to someone who has a second home on Elba. In these cases, the support of the park and Legambiente has been decisive.

The support of the local community is also seen as an important factor from the perspective of future maintenance of the path. As emphasized by Econauta, only if the path is valued by the local peo-
People can different solutions concerning its maintenance be found so that the path will continue to exist in the future.

During the interviews with Acqua dell’Elba, it was also remarked how the project is used by the company, in terms of image and branding. The individual responsible for marketing of the company, together with a company partner, commented on the fact that the company, as can be understood by its name as well as by the profile of its products, is strictly linked to the island of Elba. Nonetheless, the specific project is not particularly used in the company’s promotion. Recently some changes have been introduced, with a broader use of storytelling in the communication and the development of an e-book with quite an extensive interactive section dedicated to the project.

Still in relation to the use of the project by the company, some comments were made in relation to the mismatch between the reality of the company taking responsibility for some aspects of the local community and the traditional corporate responsibility approach, centred on strategic long-term thinking, the elaboration of documents with fixed deadlines and formats and official certification. The Via dell’Essenza was described as a project that evolves “step by step”, which can contribute to the local community but which cannot be implemented by adopting a rigid approach that might suit large companies and different sectors but that is viewed as “heavy and unrealistic” for the specific context.

As mentioned above, data from another project – Elba Verdemare, also concerning the restoration of a path – were collected. The project concerns a path in the north-eastern part of the island, which is the less touristic part of Elba. The main participants are an agro-farm, Ristoro dell’Amandolo, and an association of guides, Pelagos. This project has some common elements with the Via dell’Essenza project and also some differences. The common elements can be related to the attachment of the involved actors to Elba, the natural environment and its history. In particular, one of the respondents commented on the project, saying:

“The objective is to conserve the territory, to recognize the value of our environment and its dignity. The natural environment of this area is unique (...) and deserves more attention, also in relation to the recognition of our history, in respect to the people who have lived and worked here leaving clear but sometime forgotten traces of their presence”.

The Elba Verdemare project has the objective of increasing and promoting the touristic value of the territory, with a particular focus on the idea of offering an authentic and high-quality experience. Despite this focus, also in this case several considerations about the importance of the path as a way to conserve the local heritage, both natural and cultural, were made by the respondents and referred to the local community’s sense of identity.
DISCUSSION

This chapter discusses the findings on the base of the two research questions formulated at the beginning of this paper.

How do small and medium-sized local firms participating in collaborative tourism-relevant projects view their contribution to sustainability and that of the projects?

The case study suggests that the individuals who own and manage small and medium-sized firms participating in collaborative tourism-relevant projects are quite concerned about several aspects of the sustainable development of the specific area. The desired outcomes of the projects in which they participate are, first of all, those relative to the improvement of the quality of life of the local people, then outcomes related to the local economy and the natural environment.

Using the concept of sustainability, it can be said that the projects are viewed as a means to contribute to the different aspects of sustainability, with a focus on the socio-cultural aspect. The natural environment is also considered, and seems to be viewed as having a value first of all when it is accessible by humans.

As with the projects, the tourist activities also seem to be viewed first of all as a means to achieve the mentioned goal of improving the quality of life of the local people. This can be explained in part by the fact that, as is quite common in tourism, the objects of the project – the paths – serve tourist purposes and can also be used for the recreational and educational activities of the local population.

Based on such considerations, it can be proposed that an approach to sustainability in the context of a collaborative tourism-relevant project in which local firms participate has its centre neither in the tourism sector nor in the concept of sustainability, but in the idea of improvement of the quality of life of the local community.

Which are the central elements of an approach to sustainability in tourism that take such a view into consideration?

Centred on the quality of life of the local community, such projects seem to be heavily dependent on the following factors: the participants’ personal sense of attachment to the place, their sense of responsibility and care towards the local context and their understanding of ethics as practice.

The sense of attachment to the place expressed by the participants in the *Via dell’Essenza* project is an element that emerges quite clearly from the data. The term “territorio” is used, and can be translated as
“place” or as “terroir”. Considering, in addition to the Via dell’Essenza project, the ElbaVerdemare project and the information about the campaign Adotta un sentiero, it can be said that such a sense of attachment is common among the different projects’ participants, and the economic sector to which the projects’ participants belong is not particularly relevant. The central role in the creation and implementation of these projects seems to be the individuals’ emotional bond with the territory.

Emotions play an important role in this context, and positive strong emotions seem to be at the origin of the projects. The business-related motivations, for example in terms of branding, seem to have a secondary role. This aspect can be related to Bauman’s rejection of the consideration of emotions as the enemy of rationality and morality (Kelemen and Peltonen, 2001). On the contrary, it seems that emotions motivate the participants more than anything else.

Related to this sense of attachment is the sense of responsibility that the individuals feel in relation to the protection and valorization of the local natural and socio-cultural context. The entrepreneurs are members of the local community and feel themselves to be in a position that allows them to influence the local context. This implies responsibility that is perceived at the individual level. No private or public organization, for example the park, is viewed as having the responsibility for the local development. Although these organizations can and, in the case of the public sector, are expected to be supportive, the individuals feel the sense of responsibility as being “on their shoulders”. Furthermore, this aspect is present in Bauman’s thought and his criticism towards the individual’s tendency of escaping personal responsibility due to the existence of over-individual entities, such as the state and businesses.

This aspect can also be noticed in relation to the concepts of corporate responsibility and strategic or altruistic philanthropy, briefly presented in chapter 2. Such concepts cannot be easily related to the observed sense of responsibility as the individuals seem to base their actions neither on economic and financial considerations nor on a sense of “doing something for others”, as in this case “the others” are the local community to which the individuals belong and of which their firms are an integrated part. This aspect, supported by the findings of other studies focused on “lifestyle entrepreneurs” and, more generally, small firms, can be related to the considerations presented above about the link between place, place attachment and self-identity.

The sense of responsibility felt by the individuals participating in the projects can be related to the concept of ethics of care. As mentioned in the theoretical part, ethics of care have been proposed in the tourism context (Spiller et al., 2011). Based on this case study, such ethics seem to be suitable for describing the morality implicit
in collaborative projects based on the participation of local actors. An ethic of care in the context of a project with different stakeholders is about creating value for the entire network of stakeholders through cooperation. This consideration is based on a relational view of the world in which every individual is part of a network, in this case, a local community, an aspect that is particularly suited to the case of local entrepreneurs.

**Final remarks**

The findings of this study have confirmed the considerations of some previously conducted studies concerning collaboration and sustainability in the case of small firms and “lifestyle entrepreneurs”. They have also shown how some ideas from the post-modern understanding of responsibility can be relevant, in particular those concerning the central role of the individuals/entrepreneurs and their values and the view of ethics as a situated practice. It can be said that the process of contributing to the sustainable development of an area through collaborative tourism-relevant projects of local small firms can be seen as a series of practices that operate in a contextualized manner and that have their origin in the individual’s values and sense of responsibility, regardless of his/her belonging to the tourism industry.

**CONCLUSION**

This study has investigated an empirical case about a collaborative tourism- and sustainability-relevant project involving small and medium-sized local firms. The findings have been discussed based on theoretical contributions from the tourism and business ethics literature, paying particular attention to the post-modern view of ethics.

Rejecting a tourism-centric view, this study suggests that the concepts of sustainability in tourism and local development can be approached with a focus on the improvement of the quality of life of the community. Crucial then is the local dimension of the tourism phenomenon that involves a specific geographical area and the correspondent socio-cultural context. This study suggests that individuals belonging to local firms, not necessarily and exclusively from the tourism sector, participate in collaborative projects as a way of taking responsibility for the improvement of the quality of life of the local community. They do so following a logic that is not related to the economic idea of corporate responsibility or the philanthropic idea of acting for others, but on the basis of their emotional bond with the territory and their sense of attachment to the place.
This study concludes by proposing an alternative approach to responsibility and sustainability in tourism centred on local entrepreneurs’ role as moral individuals and change agents and on the necessity to include in such an approach different actors (private and public), sectors (tourism and others) and levels of analysis (individual, organizational and regional). The latter element suggests some practical implications for the management of collaborative projects and in particular the recruitment of the participants.

This study has adopted some elements of the post-modern thought concerning ethics and the results suggest that such elements can be fruitfully used in tourism. More specifically, the issues of responsibility as a personal pursuit and of the inclusion of “the other” in the sphere of a person’s responsibility can be further investigated. It can be suggested that such investigation could include scholarly contributions about social entrepreneurship and the understanding of entrepreneurs as change agents.

Finally, the result of this study suggests that sustainability is understood by the individuals participating in collaborative projects in an anthropocentric way. This element raises some questions about the value recognized to the natural environment. It could be proposed that the understanding and the practice of sustainability are highly dependent on the context. The issue of sustainability in relatively small and relatively densely populated areas, as in the investigated case, is different from the cases of wild areas. Although this adaptive approach to sustainability can be said to be intuitive and practically useful, it can be asked how such a position of differentiating the way the natural environment is protected and used can be ethically justified.

REFERENCES


PAVING THE WAY TO ACCESSIBLE TOURISM ON THE EXAMPLE OF KRAKOW

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ABSTRACT: Worldwide, there are about 650 million people with disabilities, which is a significant potential market for tourism industry. However people with limited mobility have their special needs regarding participation in tourism, but also they have the same motivation of travelling. This still unexplored field of tourism for people with disabilities is an ongoing trend and many initiatives are taken in this direction. As an example it could be Krakow which have recognized the potential of disability tourists and introduced a number of improvements. This paper aims to generate relevant knowledge about the travel needs and barriers of people with disabilities, to assess the current level of accessibility in the tourism sector in Krakow especially in accommodation options, museums, offering services on selected examples. The research was carried out based on literature review and a questionnaire and interviews with disability tourists in Krakow. Most of tourists were satisfied with the level of customization of services and attractions to their needs, however they also drew attention to the lack of common regulations regarding accessibility, especially in the private sector.

Keywords: accessible tourism, disability, special needs, innovations

INTRODUCTION

Tourism for disabled people is a phenomenon that is strongly growing. However, despite its development still - to some extent - is rare. This is mainly due to the lack of knowledge on the market of tourist with special needs, the lack of dialogue, coordination and exchange of information between different levels of government, businesses, tourism industry.

People with disabilities have the right and will to undertake the act of travelling just like the rest of the society (Darcy and Daruwalla, 1999). During travelling, every visitor meets tourism related barriers and it was noticed that the barriers are especially affecting the tourist with special needs, i.e. disabled ones. Not only do they have the right to participate in the actions of travelling and leisure, but also have the same needs and motives to take up tourism as their healthy and able counterparts. In spite of that - and despite a variety of actions taken by the EU - the experiencing of travel by disabled tourist is still being
described from the perspective of the barriers they need to face. These mostly concern the limitations of transport, unadapted accommodation facilities, places of tourist attraction or insufficient tourist information and lack of personnel trained well enough to deal with the social group in question. And even though the number of tourists with disabilities is relatively large and, having adapted their services and facilities, many providers could increase their tourism income, they still fail to see the relevance of taking action in that area.

Availability means that people with disabilities are able to access - on the same level - the physical environment, transport, communication and information technologies, education and other services and facilities. Availability is a condition of participation in social and economic life so breaking the barriers is the main point of the European strategy for disability in 2010 - 2020 (European Commission, 2012).

Facilitating access should not be treated as a burden, especially when the spaces and objects located in large cities are concerned, mainly due to the fact that the vast majority of European citizens lives in these administrative areas. People with disabilities have the basic right to participate in tourism on the same rules as other people. This privilege is guaranteed by the UN Convention dated 13 December 2006 relating to the rights of people with disabilities (Article 30). Changes in the fields of law and organization, products and institutions are necessary in order to facilitate the stimulation of social activity of the impaired by their participation in tourism and, in turn, sightseeing historic cities being famous for their monuments and relics of cultural heritage. One of such cities is Krakow which offers a myriad of tourist attractions.

In light of the above, the goal of this article is mainly a cognitive one, namely the presentation of the efforts of Krakow to break the barriers in the environment of the city and promoting the participation of people with disabilities not only - on a narrow sense - in tourism but also in social life in the whole. The article will present a number of inspiring best practices in the fields of the environments of life, work and tourism with no barriers in Krakow. The discussed topics will include the availability of transport, accommodation, availability of tourist places (attractions), the act of planning one’s stay, gathering information and the very action of sightseeing.

Legal accessibility considerations

It is widely recognized that people with disabilities and their guardians or relatives as well as elderly people create a large potential group of consumers for tourist and hotel industry (Burnett and Baker, 2001). Nevertheless, the level in which this potential market niche can be used
depends on the approach of the tourist sector and the whole tourist industry to making their services available to the disabled. Facilitating access to attractions and various venues will be beneficial not only for the impaired but also for the whole community.

Both the local and international legislations include laws and acts giving everybody the right to access the common environment and limiting social foreclosure. The Constitution of the Republic of Poland includes a passage stating that “no one shall be discriminated against in political, social or economic life for any reason whatsoever” (Article 32). In light of this it is evident that all citizens are equal and no discrimination can ever take place. Another legal text which helps the impaired is the resolution of the Sejm of the Republic of Poland - The Disabled People’s Bill of Rights (Karta Praw Osób Niepełnosprawnych) adopted in 1997. The resolution emphasizes that the disabled have the right to lead independent lives. Additionally, the document clearly mentions tourism when describing the right of the disabled people to “fully participate in public, social, cultural, artistic and sport life as well as recreation and tourism according to their interests and needs” (paragraph 1.10).

Disability versus accessibility

Public space is the area of meetings, work, recreation - it is a kind of space where people move from their workplaces to their homes and the other way around. A square, a marketplace, boulevard, street - these are the places where tourists and locals mingle, areas of interaction and actions leading to the integration of the local communities. Public space is the “heart of the city” which should beat with life, connect the citizens and create the field for initiatives, stimulate imagination and development. A kind of space which would be friendly for everybody, available for all and, regardless of their mobility or cognitive abilities, offers its users a full social integration and becomes a place where interpersonal bonds are tightened and society develops (Wysocki, 2009, p 3).

A city - especially Krakow - does not only consist of public places, it also includes monuments, museums, tourist and cultural objects being in the center of the visitors’ interest. Before coming to Krakow it is worth to find out more about its valuables and tourist resources. They can interest or even charm tourists and, as a result, convince them to come again. This will be possible only when the visitors with disabilities will have equal opportunities to get to know the beauty of Krakow through experiencing monuments, tourist attractions and the whole accompanying tourist infrastructure which are adapted for such visitors.
Accessibility depends on the kind of disability and definitely exceeds the physical type. According to Darcy (1998) accessibility can be characterized by three main measures:

- **physical accessibility**, which applies to people with physical disability, frequently requiring the use of wheelchairs or walking aids and often demanding other conveniences such as railings, ramps, lifts, etc,
- **sensory accessibility**, which applies to people with impaired sight or hearing or other similar impairments. Such people require special services such as tactile signs, visual signs, labels, audio-visual systems, warning sounds for lifts and crossings, etc,
- **communication accessibility**, which applies to people with communication impairments, e.g. having difficulties to read, write, hear or speak, as well as people coming from different cultural backgrounds who require some explanation or additional information.

**A CASE STUDY OF KRAKOW**

People with disabilities have the right and motives to undertake the act of travelling the same as healthy people, Tourism is a way to expand one’s horizons and develop the relations between social groups. Disabled people are less willing to stand out from the rest of the society. Additionally, the number of people with acquired impairments, due to an accident or a catastrophe, seems to have increased over the years and they need to learn to cope with their conditions. Therefore, they are more likely to express the will to enjoy travelling and forget the hardships they face every day. Unfortunately, their experience is still being limited by various barriers. To tackle this, Krakow has introduced a number of conveniences for disabled people in the city area. The city also promotes equal participation of people with various impairments in the society and emphasizes to others the special needs of this group. The initiative of the Foundation for Active Rehabilitation and the disabled people’s societies can serve as an example as they painted a message to everybody on the Krakow bus station whose goal was to cause empathy and allow others to understand the disabled (photo 1)
Krakow is a large city with an old city centre and new post-industrial areas, hence advancement of accessibility for everybody will be a welcome development.

While air transport is becoming increasingly easy and the providers continue to introduce new types of services and conveniences, every now and again one can hear about mishaps such as lost luggage or delayed flights, etc. Such situations are uncomfortable for every tourist and especially ones with disabilities. Damaging or even losing a wheelchair will most probably make further journey impossible. Other kinds of limitations people using a wheelchair may face include (among other things) lack of a designated parking space in front of the terminal, unadapted municipal transport, difficulties with getting on and off the plane or lack of a special toilet on board. People with sight impairment face another challenge - the identification and collection of their baggage. In case of larger airports there also are cases of communication barriers - poorly labeled roads, lack of direction signs no circulation of information. These are just some of the challenges that people with disabilities have to face.

The Krakow airport has introduced a set of improvements thanks to which a disability does not make it impossible, and in fact far less difficult, to travel by plain. Before embarking on a trip it is advised to inform the airline, travel agency or airport staff about the type of dis-
ability the passenger suffers from and the special needs they may have as a result. It allows for precautions to be taken and for the service to run smoothly. The passengers are advised to disclose:

- the type of their disability,
- any problems with moving about they may have,
- problems with receiving information (visual and auditory on the airport premises),
- the type of the medical or assisting equipment used (e.g. a wheelchair),
- any medicine that needs to be taken during the trip,
- assistance by a guide dog,
- any special requirements connected with food/meals (www.krakowairport.pl, as of 12 January 2014),

Krakow airport offers a special assistance to the people with disabilities, both inside the terminals and in flight. It stems from certain EU Regulations (regulation EC 1107/2006, as of 5 July 2006). Apart from that, the airport is fitted with a ‘blue trail’ which consists of a system of labels and signs as well as call panels which facilitate moving around the airport and reaching key terminal areas for the disabled people.

The main element of starting a trip to/from the airport is the means of transport. A taxi spot is located just outside the airport exit allowing for a fast and convenient arrival and departure from the terminals. The taxis are adapted to transport people using wheelchairs and the wheelchairs themselves. The railway is another means of getting to the airport. A special fast railway service is ready to transport people with disabilities from the main station in Krakow directly to the airport (photo 2). The railway station provides a special ticket office designed for the disabled and marked with number ‘X’.

Photo 2. Adapted station and train to the needs of disabled people (Marcin Popiel)
City busses are yet another form of transport travelling to the airport’s international terminal. It is also suited to transport disabled people. Additionally, there is a special bus traveling between the international terminal, the national one and the airport railway station, free of charge and ready to meet the needs of all tourists (photo 3).

![Shuttle bus on the airport](Marcin_Popiel)

The airport car parks include specially marked spots for people with disabilities. The handicapped spaces are located near terminal entrances and marked with a well-known sign of a person in a wheelchair.

Separate check-in desks have also been prepared for the sole purpose of serving the disabled. The desks are lower so that people in wheelchairs can use them comfortably, and they also include dedicated sitting areas for passengers awaiting further stages of their journey (www.krakowairport.pl as of 12 January 2014) (photo 4).

After passing security, the passengers wait for boarding in the departure lounge fitted with special seats (reserved places). During boarding a staff member is available for assistance. When boarded, the passenger will be assisted by the airline staff.

The Krakow airport infrastructure includes “help points” allowing for a direct call of the assisting staff. Additionally, adapted toilets, telephones and lifts ready for disabled people all contain additional visual information. The whole airport area is also equipped with an audio-visual information system which announces flights and other important messages. It utilizes large screens to display the information as well as the airport sound system to announce it verbally.
Public transport is also an important element of traveling across Krakow. Being supported by a well-directed transport policy, the city has improved its spatial infrastructure of communication and its information network. Presently, almost all of the city busses are low-entry and low-floor ones and are fitted with railings and audio announcement systems. All trams were planned to follow with similar conveniences by the end of 2013 (www.mpk.krakow.pl as of 12 January 2014).

A disabled tourist finds all these aspects extremely important, from the color of the bus or tram stop, which, when contrasting, will be easier to spot by those with impaired sight, through adapted vehicles and slopes for wheelchairs. The bus stop infrastructure is also adapted to fit the needs of the disabled. Many stops include tactile paving informing the hard of sight that they are approaching the ledge and should mind their step. What is more, some stops include special ramps and platforms facilitating boarding the tram for people in wheelchairs.

Trams and busses frequently suffer due to the way they are “operated”. Buttons requesting the doors to be opened are next to emergency buttons or are placed too high. Krakow vehicles tackle this problem by offering buttons labeled in Braille thanks to which the passengers with visual impairment would not mistake them. Moreover, there are also additional buttons marked with a wheelchair image and placed much lower allowing wheelchair users to travel without barriers (phot. 5). Thanks to these improvements the public transport in Krakow is no longer inaccessible for people with disabilities (phot. 6).
Photo 5. Additional buttons for people with disabilities to open doors in public transport (Marcin Popiel)

Photo 6. Low floor trams and elevated platforms at bus stops to help getting in (Marcin Popiel)
Accommodation

Krakow, being one of the largest cities in Poland, is a destination for tourists both local and foreign. It is all because of the monuments, unique character and exceptional atmosphere of the city that thousands and thousands of tourists decide to visit it each year. Due to that fact the accommodation base is growing year by year.

Rationally adapted accommodation for people with disabilities still remains a challenge when the disabled attempt to travel. There is not enough facilities offering rooms adapted to meet the needs of particular tourists including such things as: low-placed wall sockets and switches, hand dryers, hangers or adapted beds. Another issue is caused by lifts and parking spots, or actually lack thereof, or their location far from the hotel (Błaszczyk and Witkowski, 2006).

Presently a lot of focus is given to reducing and completely removing the architectural barriers. Situation is looking the best for the highest ranked hotels. This creates a further barrier for the disabled as such hotels are very expensive. Due to the growing problem of availability of accommodation for people with disabilities, the owners of hotels and other accommodation facilities strive to dispose of the barriers created by architecture.

In Krakow the majority of objects in the Old Town is adapted to serve tourists with disabilities. When trying to find accommodation, one can ask in one of the Lesser Poland Tourist Information System points (Malopolski System Informacji Turystycznej) whose database contains over 110 places with facilities for the disabled (verbal information as of 13 January 2014). Additionally, more information on the accommodation dedicated for people with disabilities can be found in the Traveling unlimited. Krakow accessible. The guide for disabled travelers which is referred to in the later parts of the article.

Tourist attractions

The attractions are the elements of tourist destinations which stimulate the will and goal to travel and sightsee. These can be related to recreation (entertainment parks, aqua parks), places connected with nature (national and landscape parks), places of history (battle grounds, museums) or social-cultural attractions (festivals). All of the mentioned types can be found in Krakow.

The majority of limitations the disabled tourists face when trying to take part in any of the above focus around the inaccessibility of the area, terrain or facility. Poor access to museums, monuments or other culture objects limits the disabled as they cannot use or see the particular attraction to the same extent as the able tourists do.
One of the main attractions of Krakow is undoubtedly the Main Market Square with the Cloth Hall, City Hall and St. Mary’s Basilica. Thanks to its even paving made of flagstone and cobble disabled tourists can move about with no barriers. Unfortunately, the majority of stores and restaurants situated around the square require the visitor to up at least one step. During the summer most restaurants set up beer gardens which are easily accessible even to tourists with disabilities. The Main Market Square area also offers public toilets adapted for the needs of the disabled.

The majority of museums around the Market Square has adapted their facilities according to the requirements of ‘architecture without barriers’ thanks to which tourists can easily visit a lot of cultural attractions of the city.

The most famous attraction of Krakow is the Wawel hill with the Royal Castle. Due to a large number of steps and a complicated, multi-level architecture, it does not offer too many facilities for the disabled. Only during the winter season the assistance of the museum staff is available allowing the visitors to see the upper storey’s of the castle. Such a visit requires a telephone call in advance (www.krakowlife.pl as of 12 January 2014).

Apart from the Old Town, Kazimierz has also become quite a known neighborhood. Many synagogues can be found there, mainly due to a rich history of the Jewish community in that area. Apart from that, Kazimierz is also famous for the unique atmosphere of its narrow streets. Unfortunately, the lack of disabled facilities is clearly visible. The curbs are tall, most synagogues have no barrier-free access and the beautiful, narrow streets are covered with uneven cobble.

Fortunately, Krakow has found a solution for the disabled, thanks to which people in wheelchairs, the blind and the people with any other disability can get to know the attractions of the city. Twelve places in the city center contain touchable mock-ups - models of various sights found in these places. These models are the new tourist attraction of the city called “The Royal Tract for the Disabled Tourist”. It was created as a result of a project of the local government who wanted to create an attractive tourist route for people with sight impairments and movement disabilities. It is the first undertaking of this kind in Poland. It came to being thanks to the EU funding within the Lesser Poland Regional Operations Programme. The “Royal Tract for the Disabled Tourist” consists of twelve mock-ups, nine of which are placed on pedestals and the remaining three are hanging on the walls.

The standing mock-ups consist of the model of the attraction, a description in Braille, a description in flat print, the pedestal and its foot. Due to the way the pedestal is made, it is possible to approach it in a wheel chair and read the text and examine the model (phot. 7). The
hanging models also include two types of description, they are placed on a suitable height and have the forms of low-reliefs. The models present the following attractions:

- Barbican,
- area of the old town with the Royal route,
- portrait of Jan Matejko on the facade of the House of the artist,
- St. Mary’s Basilica,
- Cloth Hall,
- Town Hall Tower,
- The Franciscans monastery,
- Wyspiański stained glass-”God the father, stand up!”,
- Churches. St. Peter and St. Paul and St. George. Andrew,
- Romanesque window,
- the Palace of the Bishop Ciołek,
- Wawel Hill.

Photo 7. Standing mock-up (St. Mary’s Basilica) (Marcin Popiel)

Planning and organization

People with disabilities might find that planning and organizing their stay proves problematic. According to the kind of their disabilities, the travelers need to pay attention to various aspects which address their needs.
The providers working in the field of tourism should strive to increase the accessibility of attractions in tourist destinations. The same can be said about the self-government of each administrative unit. On the other hand, the disabled themselves should gather information about their destination from a variety of sources and thus facilitate their own planning and the possibility to break the barriers.

A special guide was released in Krakow: *Traveling unlimited - Krakow accessible. The guide for disabled travelers.* It describes attractions available for visitors with inhibitions. Apart from the obvious (for this type of a book) information such as maps, history and legends, the guide was additionally fitted with sections concerning the number of steps, availability of toilets, height of curbs, etc. It also contains sections of practical tips about planning the trip to Krakow, looking for accommodation and organizing the stay.

The process of organizing the stay in Krakow - and the whole of Lesser Poland - can be assisted by the Lesser Poland Tourist Information System (MSIT). It is based on a network of units providing tourist information. The assumptions are that the system would be user-friendly and meet the expectations of every tourist in the field of information, advice and promotion. Currently, not all units working in the system are adapted to meet the needs of the disabled but it was suggested that more and more information points should be suitable for people with disabilities. Currently the facilities include:

- separate computer workstations with software for the disabled (including the blind and hard of sight),
- promotion and information material with multimedia content for the blind and hard of seeing (including Braille texts and the list of Lesser Poland tourist attractions in large font).
- audit of tourist attractions and places evaluating their possibility of providing service to the disabled together with the description of the actual state and recommendations for changes increasing the level of availability,
- vehicles and lifts facilitating access to the information points for people in wheelchairs (www.malopolskie.pl, as of 12 January 2014).

Seven units of MSIT can be found all across Krakow and they are there to offer help to the disabled. The units are marked with a special logo. All of the information points are adapted to fit the needs of people with disabilities. The units also offer assistance by phone without the need of visiting them personally.

**SURVEY RESULTS**

A survey was conducted on a group of disabled people with different types of impairment who have come to Krakow (n=96).
Among the respondents there were 55 women and 41 men. The predominant age group 55 to 64 years (32 respondents), the vast majority of people came from the Polish (81 respondents). 69 respondents indicated that they came to Krakow for more than 2 nights, so they have the opportunity to take advantage of a variety of products and services that the city offers (Tab. 1).

Table 1. Demographic profile of respondents (n=96)

<table>
<thead>
<tr>
<th>Gender</th>
<th>Female</th>
<th>Male</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age 65 or older</td>
<td>13</td>
<td>32</td>
</tr>
<tr>
<td>55 to 64 years</td>
<td>26</td>
<td>10</td>
</tr>
<tr>
<td>45 to 54 years</td>
<td>15</td>
<td>26</td>
</tr>
<tr>
<td>35 to 44 years</td>
<td>27</td>
<td>7</td>
</tr>
<tr>
<td>25 to 34 years</td>
<td>28</td>
<td>1</td>
</tr>
<tr>
<td>Education</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ph.D.</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>Bachelor's degree</td>
<td>20</td>
<td></td>
</tr>
<tr>
<td>Associate's degree</td>
<td>26</td>
<td></td>
</tr>
<tr>
<td>Some college, no degree</td>
<td>7</td>
<td></td>
</tr>
<tr>
<td>High school graduate</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Less than high school</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>The origin</td>
<td></td>
<td></td>
</tr>
<tr>
<td>USA</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Poland</td>
<td>83</td>
<td></td>
</tr>
<tr>
<td>Netherlands</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Japan</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Great Britain</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Germany</td>
<td>7</td>
<td></td>
</tr>
<tr>
<td>Length of stay</td>
<td></td>
<td></td>
</tr>
<tr>
<td>more than 2 nights</td>
<td>27</td>
<td></td>
</tr>
<tr>
<td>less than 2 nights</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td>Nr of visit</td>
<td></td>
<td></td>
</tr>
<tr>
<td>At least five times</td>
<td>10</td>
<td></td>
</tr>
<tr>
<td>Four times</td>
<td>25</td>
<td></td>
</tr>
<tr>
<td>Three times</td>
<td>28</td>
<td></td>
</tr>
<tr>
<td>Twice</td>
<td>28</td>
<td></td>
</tr>
<tr>
<td>First time</td>
<td>28</td>
<td></td>
</tr>
</tbody>
</table>

Respondents were asked to answer to the question regarding their level of satisfaction with various elements of their stay in Poland in terms of availability of tourist products and services to the needs of people with disabilities. Respondents ranked accommodation facilities, gastronomic base, transport, tourist attractions and their overall level of satisfaction with the stay. On the basis of the results we can see that a large part of the accommodation meet the
expectations of tourists with special needs. 8 people were very satisfied and 47 people were satisfied with the services. However, 12 people give the answer – dissatisfied. A similar situation applies to the gastronomic base, where 43 people have given an answer – satisfied. Although 27 respondents marked dissatisfied answer. This may result from the lack of awareness of the restaurateurs about the disabled, hence they do not take action in the direction of leveling all sorts of barriers that prevent people with disabilities from full participation in society. Question concerning the transport has been a very positive response. 38 respondents were very satisfied. On the question concerning the tourist attractions until the 72 people responded very satisfied and 21 people - satisfied. These results may not come as a surprise, as Krakow undoubtedly trying to adjust the sights, museums, attractions to meet the needs of all people. In conclusion there was asked questions about the overall level of satisfaction. On the basis of their positive experience with their stay in Krakow, 65 people responded with a very satisfied answer and 35 with satisfied. (Tab.2)

Table 2. Evaluation of accessibility of products and tourist services in the eyes of the tourists

<table>
<thead>
<tr>
<th>How would you rate the following elements of stay in Krakow in terms of accessibility for people with disabilities</th>
<th>Number of answers</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Accomodation</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dissatisfied</td>
<td>12</td>
<td>13</td>
</tr>
<tr>
<td>Neutral</td>
<td>6</td>
<td>6</td>
</tr>
<tr>
<td>Somewhat satisfied</td>
<td>23</td>
<td>24</td>
</tr>
<tr>
<td>Satisfied</td>
<td>47</td>
<td>49</td>
</tr>
<tr>
<td>Very satisfied</td>
<td>8</td>
<td>8</td>
</tr>
<tr>
<td><strong>Gastronomic base</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dissatisfied</td>
<td>27</td>
<td>28</td>
</tr>
<tr>
<td>Neutral</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Somewhat satisfied</td>
<td>18</td>
<td>19</td>
</tr>
<tr>
<td>Satisfied</td>
<td>43</td>
<td>45</td>
</tr>
<tr>
<td>Very satisfied</td>
<td>8</td>
<td>8</td>
</tr>
</tbody>
</table>
How would you rate the following elements of stay in Krakow in terms of accessibility for people with disabilities

<table>
<thead>
<tr>
<th></th>
<th>Number of answers</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Transport</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dissatisfied</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Neutral</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>Somewhat satisfied</td>
<td>17</td>
<td>18</td>
</tr>
<tr>
<td>Satisfied</td>
<td>36</td>
<td>38</td>
</tr>
<tr>
<td>Very satisfied</td>
<td>38</td>
<td>40</td>
</tr>
<tr>
<td><strong>Tourist attractions</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dissatisfied</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Neutral</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Somewhat satisfied</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Satisfied</td>
<td>21</td>
<td>22</td>
</tr>
<tr>
<td>Very satisfied</td>
<td>72</td>
<td>75</td>
</tr>
<tr>
<td><strong>General satisfaction with the stay</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dissatisfied</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Neutral</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Somewhat satisfied</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Satisfied</td>
<td>31</td>
<td>32</td>
</tr>
<tr>
<td>Very satisfied</td>
<td>65</td>
<td>68</td>
</tr>
</tbody>
</table>

**CONCLUSION**

The access to tourism, different kinds of services and related products should be a standard and not an exception. The facts are that providing the accessibility is not always an easy task, but now, in the age of creating the Europe “for everybody”, cities without barriers are on demand. Krakow can be used as an example of an agglomeration which strives to break the barriers in the town environment and promote the participation of the disabled and elderly in tourism. Thanks to these efforts and changes they caused, tourists with impairments from all around the world can get to know both the city and its tour-
ist resources and infrastructure. The wide range of facilities is also beneficial for the disabled citizens on a daily basis. The increase in accessibility leads to increase in tourist movement, draws in new capital opening the possibilities of further development of best practices and the availability of the city for everybody.

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COMPETITIVENESS IN TOURISM - MODELS OF TOURISM COMPETITIVENESS AND THEIR APPLICABILITY: CASE STUDY AUSTRIA AND SWITZERLAND

Marica Mazurek
University of Matej Bel, Slovakia

ABSTRACT: Competitiveness concept has been adapted to tourism from different disciplines, containing also management and marketing. Our goal is to explain why in competitiveness concept are management, marketing and leadership important for success. The research is based on secondary sources dealing with the application of process innovations in tourism, especially with the studies of models of competitiveness in tourism (Poon's model, the WES model, the Dwyer's and Kim’s model, Bordas model, the Crouch-Ritchie). Some of these models have been personally discussed with Prof. Brent Ritchie, Haskayne School of Business, Calgary. One of the most influential disciplines, which enriched competitiveness in tourism, was management. Strategic visioning concept includes the concepts of co-operation which have implemented some ideas of the Darwinian approach in managerial strategies. This concept has been fully imported in the concepts of co-operation and cross-border cooperation in order to be more competitive as a destination. In management concept, targeting directly strategy of how to be more competitive and the strategic visioning has become one of the most common. There has been used a method of content analysis of existing academic literature on competitiveness of tourism and models of competitiveness. The intent is to use examples and best practices from Austria or Switzerland (ranks at the first and second place in tourism competitiveness index) in order to find solution and good examples also for other countries in Europe and in the world. Keywords: competitiveness of destinations, models of competitiveness, management, marketing, partnerships in tourism, visioning

INTRODUCTION

“While competitiveness and success are clearly distinct concepts, they are nevertheless significantly related” (Crouch & Ritchie, 2003, p.13). Success in tourism could be measured as the total amount of tourism receipts (revenues) and number of visitors. Market share is, however, not always the factor of the competitiveness. Competitiveness and its measurement incorporates multidimensional spectrum of
indicators. The complexity and interdisciplinarity of tourism research has been fully developed in the epistemologies on tourist destinations.

As Getz (1986, p. 23) mentioned, “the study of tourism is enriched and yet complicated by the theoretical diversity. There are a number of descriptive, explanatory and predictive models which form the building block of theories and describe whole or subsystems”. Echtner and Jamal (1997) added that “the competitiveness body of knowledge relies on the broad paradigmatic umbrella”, which makes the understanding even more complicated.

The main purpose of this paper is to find different parallels in the concept of competitiveness and to focus on the explanation of major factors of competitiveness in tourism based on T & T (Travel and Tourism) competitiveness indexes and several models of competitiveness discussed by academics and practitioners especially with the aim to indicate which factors might be decisive and if time and development phase might have some influence on destination competitiveness ranking. Countries as Austria and Switzerland ranked for a longer period of time at the top places in competitiveness. For this reason our goal is to discuss some aspects of their competitive approach and reasons of their success.

LITERATURE REVIEW

Onionskin taxonomy

The multi-pillar approach represents the concept of the macro-environment influencing the competitiveness of destinations in tourism. As Crouch and Ritchie (2003, p. 80) stated, “the complex approach to the tourism destination competitiveness is captured within a term onionskin taxonomy”. The global forces shaping the challenges and opportunities of destination build up the corpus of the so called “onion” from layers surrounding a destination (enclosed in Fig.1).

This concept bears the signs of multidisciplinarity in tourism. Ritchie and Crouch (2003, p. 80) divided the onionskin layers to three categories. As the most unstable group of factors, fluctuating the most rapidly during the period of time, have been defined by Ritchie and Crouch (2003, p. 80) “economic, political, and technological factors”. More stability and predictability bear the demographic and sociocultural forces; however, the relatively stable and reliable are the climatic, geographical, and environmental forces.

Onionskin taxonomy and its layers, representing epistemologies of plentiful disciplines amalgamated into tourism destination concept,
are an example of “working between the disciplines, blending various philosophies and techniques so that the particular disciplines do not stand apart, but are brought together intentionally and explicitly to seek a synthesis” (Leiper, 1981). Competitiveness is, for this reason, a multidimensional concept. Terminologies as destination and competitiveness have been used in different disciplines; as for example, geography, economics, marketing, sociology, and psychology. Tribe (2005, p. 650) mentioned creation of “clusters of interdisciplinary activities” and explained them in the case of creation of two modes and the interconnecting band between them. He continued that “interdisciplinarity generates an epistemology characterized by the explicit formulation of a uniform, discipline – transcending terminology, or a common methodology” (Ibid, p.650). Competitiveness of destinations, for this reason, needs to be defined and explained from the view of their own disciplines as well as tourism epistemologies.

Concept of tourism destination

According to Buhalis (1999, p. 97), “destinations could be explained as amalgams of tourism product, offering an integrated experience to consumers”. “Traditionally, destinations are regarded as well-defined geographical areas, such as a country, and island or a town (Hall, 2000; Davidson & Maitland, 1997).

A destination bears mutual meanings, and its perception depends on the tourist travel motivation, its perception, and marketing strategy. Important is how a destination is marketed globally. Destination means a macro country (consisting from more countries, a country, province, region, city or town, and the unique place as the national parks, falls, and lakes).

Porter (1998) defined these destinations as clusters or “geographic concentrations of interconnected companies and institutions”. Vanhove (2006) added that clusters could be understood as “a group of tourism attractions, enterprises, and institutions directly or indirectly related to tourism”. A synergy of different attractions, services in tourism, infrastructure, businesses, directly or indirectly related to tourism, is the typical feature of clusters. “Competition in tourism is mainly between clusters and not so much between countries (Bordas, 1994).

Tourists are motivated to achieve expected travel experience offered by a destination. Cooper, Fletcher, Gilbert, Shepperd and Wanhill (1988) defined destinations as the “focus of facilities and services designed to meet the needs of the tourists. “ Attractiveness (natural, man-made, artificial, purpose built, heritage, special events), accessibility (the entire transportation system comprising of routes, terminals and vehicles), availability of packages (pre-arranged packages by in-
termediaries and principals), activities, and ability to use the ancillary services (banks, telecommunications, post, newsagents, hospitals) are the precondition of a destination’s competence to become a tourism destination. The expectations and desires of tourists have changed dramatically during the last decades, and many tastes and desires are embedded in the choice of destinations.

In the middle of the last century were the most popular destinations called as “first-generation destinations” with the typical high-societal atmosphere, fragmented tourism product offered by the individual tourism service providers. A location of these destinations was predominantly along the northern European coastline (England, France).

The second generation of destinations with a label “sand, sea, and sun” still survives and exists; however their ability to compete is behind a zenith. As the cited authors stated (Poon, 1993; Claver-Corte’s, Molina-Azorin, Pereira-Moliner, 2007), these types of destinations are typical for the mass tourism and pursue a lack of product differentiation. This means that in the process of marketing segmentation, they offer the same product to all segments of tourists (undifferentiated product segmentation).

Mass marketing concepts, based on the price advantages and the large market share, do not cope with the new philosophy of success in tourism. Psychographic variables of the segmentation process, especially “life style, consumer preferences, and personality character” have gained more importance. Psychology and social psychology, applied in the concepts of tourism marketing, are visible in this explanation (multidisciplinary approach to tourism). Behavior segmentation is another example of looking at the differences among customers, and one of the concepts is a loyalty building.

Destinations labeled as the “second generation” types, have embedded the traditional model of the Ford mass production. The diversification and differentiation are foreign elements in this concept; typical is the rigid product or service offer packaged and sold by the tour operators. High product standardization simplifies the service provision; however, the effect and especially experience of tourists is not identical as if the product would be “tailored” to their needs.

In order to be competitive and fulfill the new desires of visitors, as the cited authors claimed above, “Neo-Fordist destination” had to be accepted. Crucial is the rapid interrelation of such destination with the outside world through the informative channels, strategic marketing approach, visionary attitude, and opening to the new ideas and concepts (based on new tourism perspectives and innovation techniques and devices, e.g. the use of new information technologies and information systems).
“Fundamental turning point in a research (and epistemology on tourism), conducted on resort (destination) cycles, was Butler’s model of lifecycle” (Wall, 2006, p. 197). As the author continued “the model was based on the product life cycle, tracing the evolution of the tourist market as manifested in the changing physical facilities and infrastructures of the destination. (Ibid, 2006).”

The concept is based on the chronological array of stages of exploration, involvement, development, consolidation, stagnation, and decline or rejuvenation. The last stages and their development depend on different factors, but Wall developed this idea based on Butler (2006, p. 198), and stated “as the area enters the stagnation phase, the peak number of visitors will have been reached. Natural and genuine cultural attractions will probably have been superseded by artificial ones. Capacity levels will have been exceeded, with attendant environmental, social and economic problems. The area will have a well-established image, but it will no longer be in fashion”.

The Kotler’s product life cycle model and his application in tourism means that probably the same innovations, improvements in marketing strategies in the stage of maturity (in Butler’s model probably development or consolidation stage) have to be taken into consideration. This model has been used in the academic discourses of many academics as Agarwal (1997), Shaw and Williams (1991), Tooman (1997), Douglas (1997), Choy (1992), Getz (1992), Ahmed and Krohn (1990), Cooper & Jackson (1989). The concept of destination life cycle contains the influence of cultural and environmental sustainability in order to be able to undergo a change. The deployment of all tools and strategies, also marketing and visioning, leads to the destination’s rejuvenation. Destinations in tourism compete, as Ritchie and Crouch pointed out, and that “competition between destinations plays a critical role in shaping the global tourism industry. Competitiveness is becoming even more important as tourism transition from old industry practice of mass marketing, standardization, limited choice and inflexible holidays to a greener, more individual, flexible and segmented approach” (Ritchie, Crouch, 2003; Dwyer & Forsyth, 2000).

**Concept of competitiveness in tourism**

Competitiveness concept has been adapted to tourism from different disciplines, especially from the management and marketing. As Crouch and Ritchie admitted (2003), “while many other paradigms have been the basis of books on tourism, we believe that, from a management perspective, the destination is the fundamental unit on which all the many complex dimensions of tourism are based.” To be able to understand all forces shaping the competitiveness and especially to define
COMPETITIVENESS, it requires the continuous process of knowledge development. However, some basic epistemological concepts have been already developed. The process of developing models and knowledge on competitiveness is still open and not definite.

“Tourism destination competitiveness can be defined as a general concept that encompasses price differentials coupled with exchange rate movements, productivity levels of various components of the tourist industry and qualitative factors affecting the attractiveness or otherwise of a destinations” (Dwyer, Forsyth & Rao, 2000; Matias, Nijkamp & Neto, 2007). The sources used in destination’s tourism development create comparative and competitive advantage in tourism.

“Comparative advantage would relate to climate, scenery, flora, fauna, etc., while competitive advantage would relate to such items as the tourism infrastructure (hotels, events, attractions, transportation networks), the quality management, skills of workers, government policy, etc.” (Kim & Dwyer, p. 58). “Porter groups the factors of comparative advantage into the human resources, physical resources, knowledge resources, capital resources, and infrastructure” (Porter, 1990; Ritchie & Crouch, 2003). In other words, comparative advantage factors are created from the primary resources in tourism (mountains, spas, lakes, rivers, sea), secondary factors (infrastructure, superstructure), human and financial capital. These factors could be compared to the factors of production. The concept of factors of production has its origin in macroeconomics. The factors of production consist from the land (natural resources), labor (human capital), and capital (finances). Factors of the comparative advantage are the historical, cultural resources, and a size of the economy measured by the indicators as GDP (Gross domestic product) and GNP (Gross national product).

Comparative advantage is a measurement of the endowments, e.g. measurement of the available resources serving as a potential for tourism development. The deployment of these resources is the competitive advantage. Factors of competitive advantage are, for example, audit and inventory, maintenance, growth and development, efficiency, and effectiveness. More complex approach to the competitiveness of destinations defined different scholars, as for example, Buhalis (2000, p.106), who included into the definition of competitiveness the concept of sustainability of the local resources. He noted, “a destination competitiveness is a synergy of economic, social, and sustainability concepts”. Crouch and Ritchie (2003) added, “a successful destinations cannot spend their natural capital in order to be economically profitable”. This important turning point in being competitive and do not deplete for short-term success all resources, influences the epistemological base of destination competitiveness that has been established during the last 20 years.
Crouch and Ritchie (2003), emphasized this concept, by stating that “what makes a tourism destination truly competitive is its ability to increase tourism expenditure, to increasingly attract visitors while providing them with satisfying, memorable experiences, and to do so in a profitable way, while enhancing the well-being of destination residents and preserving the natural capital of the destination for future generations.” This definition contains all aspects of a competitive destinations expressed in the effectiveness and efficiency (economics), satisfaction of consumers – tourists (marketing approach), involvement of community (community building approach), and sustainability concept (protection of natural resources approach). Application of this definition in the competitiveness concept answers clearly the question why the mass tourism (old tourism) streams had to be replaced by new tourism developments.

One of the most influential disciplines, which enriched competitiveness of destination epistemologies in tourism, was management. Strategic visioning concept includes the concepts of co-operation which have implemented some ideas of the Darwinian approach in managerial strategies.

This concept has been fully imported in the concepts of co-operation and cross-border cooperation in order to be more competitive as a destination. In management concept, targeting directly strategy of how to be more competitive and the strategic visioning has become one of the most common. Shipley and Newkirk (1998) noted that “management thinkers have almost always talked about vision and it is more flexible way how to deal with an uncertain world.”

As Ruhanen stated (Ruhanen, Matias, Nijkamp & Neto, 2007), “the benefit of a strategic approach for tourism destination is that it forces destinations to look outside their artificial geographical boundaries and focuses on the external environment, something, which tourism destinations have not done well to date.” External environment could be understood as the boundaries of one state, a province, or a city. Cross-border co-operation, beneficial for both destinations, can be a good example of the strategic approach.

“Tourism destination strategic planning is designed to be deliberate and integrative and to allow and permit the destination to adapt quickly to changing situations and develop information, planning and control systems to monitor and respond to a change” (Cooper, 1995; Ruhanen, Matias, Nijkamp & Neto, 2007). A change means also the change of different concepts and models of destination competitiveness, which have been evolved during the last period of time.
Models of competitiveness

As tourism is a very diverse and multidisciplinary field, as has been already discussed, for this reason the models of competitiveness include a variety of factors. Porter (1980) developed a generic competitive model at the micro-level (for the enterprises). Poon’s model considers the innovative processes, quality, and the prioritization of tourism in order to use the most significant factors of competitiveness. The WES model emphasizes the macro-economic level and tourism policy in competitiveness ranking. The price, its strategies; as one of the most important marketing tools; have been recognized as the main component of Dwyer’s approach to the competitiveness.

Bordas model takes into account the perceived value and costs, and contains a strong marketing concept. The model, dealing with the destination policy, tourism management, planning, and marketing concept in the most comprehensive way, is the Crouch-Ritchie’s model; however this model is not the last concept of the destination competitiveness. As Vanhove (2006) mentioned, “meanwhile Dwyer and Kim (2004) have developed a new model called “The integrated model of destinations competitiveness, which contains many of the variables identified by Crouch and Ritchie.” The following discourse on models of tourism competitiveness develops deeper epistemological discourse on some basic concepts.

Crouch and Ritchie (2003, p.11) pointed out, that “today the notion of competitiveness is powerful and pervasive, receiving much of its expression in the business world through the writings of Professor Michael Porter and many others.”

Porter’s model was originally created for the business world and his diamond of competitiveness was used the business terminologies, as “the threat of entrants, suppliers, buyers (customers), the threat of substitutes, and competitive rivalry” (Vanhove, 2006, p. 103). In order to be profitable, a destination has to apply all five competitive forces. The destination and its value-added reward (return of investments) represent a success. In order to be profitable or bring some additional value, destination has to become a leader in the cost-benefit area, to imply a concept of differentiation in marketing strategy, to introduce the niche strategy of marketing.

Vanhove discussed some of these concepts (2006, p.103), and developed more by the application of these ideas to the tourism industry (2005, p.109). All five forces and their strength “influence profit of each sub-industry (e.g. tour operator, air carrier, theme park), where profit potential is measured in terms of long-run return on invested capital”. This model has some negatives, e.g., does not reflect the concept of sustainability (unlimited deployment of resources to reproduce
products). For this reason, the model is more used in the industry and does not fit to a sensitive tourism environment.

Porter developed in his book “The Competitive advantage in tourism” a model that is much more applicable to the tourism environment. The cluster analysis is the decisive tool of this concept. “Porter claims that the success of a firm does not only depend on its strategy and positioning, but also on its being embedded in the environment” (Vanhove, 2005, p. 114). The more competitive is this environment, the better chances are to achieve a competitive advantage. Four main determinants have been used in this concept; and each of them plays an important role for the destination competitiveness.

Factor conditions are primary conditions for tourism development, as natural resources, cultural and historical places, infrastructure and suprastructure, and human capital. The main factor conditions in the industrial process are land, labor, and capital and here exists some analogy between the industry (production) and the “tourism industry”. Demand conditions include such factors as the size and structure of the market, positioning at the markets, psychographic segmentation, and implementation of the innovative approach. Similar concepts have been applied in Austria and Switzerland, two highest ranking competitive destinations. Vanhove (2005) stated that “quality-conscious tourists exert constant quality control, pushing suppliers towards high-quality and attractively priced market segments.”

Tourism and its performance as well as competitiveness depend on the co-operation of different sectors, private and public and the cooperation of the providers of tourism services. The competitiveness is significantly influenced by supporting industries; for example, safety (police), health protection (health care), quality of services, retail sector, security (public good offered by a public sector).

This concept creates a question, if tourism development has to be left in all aspects on market, or if a government has to intervene in specific situations. The events in the last decade revived a new discussion of the government’s responsibilities to act more dynamically and strictly during the crises and disasters (for example terrorist attacks, epidemic disasters, etc.).

The concept of market structure, rivalry, organization, and strategy has been partially explained in while discussing the topics of strategic visioning. Poon’s model is based on the concept of the old and new tourism approach. Poon criticized the orientation of Porter’s model to the industrial sector rather than to the service sector (predominant in tourism). Innovation and differentiation are the main axis of this model. Remarkable idea is embodied in the division of two types of competitive strategies, e.g., strategy for enterprises in tourism and strategy for tourist destinations.
For the tourism industry players, the most important are factors as to “put consumer first, be a leader in quality, develop radical innovations, and strengthen strategic position” (Vanhove, 2006). Tourists expect a holistic experience and some value for their money. For this reason, a consumer and quality of this experience have to become the priorities. The author of the model discusses new approaches, a vision, and innovations. The innovation and differentiation are main ideas of this model. Learning and continual improvement of human capital skills lead to the best achievements.

Innovations are based on human’s knowledge (incremental innovation) and potential, e.g. tacit knowledge, but it is also the codified knowledge. Genuine local tacit knowledge could be a decisive point for the tourism enterprises in the process of competitiveness. This concept has been fully implemented and used in Switzerland in the hospitality enterprises. In tourism, “important seems to be the transfer of cultural knowledge” (Williams, 2007).

A holistic approach to the tourist experience refers to the perception of a complex product, not only the accommodation or catering services. Tourists are sensitive to the friendliness, clean environment, safety, and harassment. This holistic approach could be better understood in the discussion of strategies for tourism destinations; however the micro-level is also important.

Macro-level, or destination level, means tourism policy in a particular destination, usually at the different administration governance level. This concept is more complex and includes more tourism and non-tourism sector players. Blending of the public and private sector interests and governance influences a tourism policy and reveals the complexity of its implementation in a real life.

The complexity of the tourism system in each country and the organization, planning, and financing of tourism generates the different models and approaches. Countries with a highly developed private sector and tourism (dominant in the ownership of the tourism enterprises) usually do not intervene into tourism development the way as developing countries.

However, the recent experiences and historical events deepened this epistemology with a fact that in some cases the government’s support and leadership could be crucial. One of the reasons of such responsibilities is the form of a tourism product in destinations. The existence of public goods complicates the destination management process.

The successful destinations (countries, regions, clusters of attractions, cities) represent the model of success for the other destinations. Kozak (2004), Lennon, Smith, Cockerell and Trew (2006) discussed the idea of a transfer of the best practices based on benchmarking concept to the tourism settings.
Innovative approaches and practices of the most successful destinations represent the motivating factor. “Benchmarking has been used extensively by the public and private sectors as a tool to develop competitive advantage (Dorsch & Yasin, 1998; Lennon, Smith, Cockerell & Trew, 2006) and this process is a continuous, systematic process for evaluating the products, services and work processes of organizations that are recognized as representing best practices for the purpose of organizational improvement” (Spendolini, 1992a; Lennon, Smith, Cockerell & Trew, 2006).

A benchmarking approach in tourism has been used in one of the most successful tourism destination, Austria, couple years ago. Austria ranked 2nd in the tourism competitiveness in 2011; however in 2013 has moved to the 3rd place (Germany is 2nd). Poon’s model, and especially its “plea for a transformation of the role of National Tourist Offices from promotion to product development deserves attention” (Vanhove, 2005, p. 122) has been used as a leading model in this country. The common denominator of the following three models and the Poon’s model is a quality of services as a separate factor, or the transformed quality in the concept of a destination’s image.

In WES model has been introduced a clear distinction between factors and indicators of a destination model. The most important are the macro-economic factors represented by the fiscal policy (taxation), monetary policy (exchange rate), cost of capital; supply factors (supply side in tourism represented by tourist attractions, superstructure, cost of these factors – prices); demand factors (marketing tools and their implementation); infrastructure, and the tourism policy factors (planning, financing). Similarities could be found in the Crouch and Ritchie’s model.

The limitation of the model is that it uses the macro-economic factors; however it also discusses interesting ideas about the importance of a fiscal policy and taxation in tourism. The tourism taxes are important source of income; however, some taxes could be a factor of distortion, and they appear to be a problem for competitiveness. For example, all entry and exit taxes (visa /travel permits) have a strong impact on competitiveness.

The cost and the price factors have not been neglected in any of the above stated models. The next model underlines the price factor even stronger. The price competitive approach has been stated in the Dwyer’s opinion and model (2000, Vanhove, p. 109) and Edwards (1995; Vanhove, p.109). Dwyer added that “a general concept that encompasses price differentials coupled with exchange rate movement, productivity levels of various components of the tourist industry and qualitative factors affecting attractiveness or other wise of destination.” This concept contains a factor of quality, socio-economic, and demo-
graphic factors. Quality factor is tightly related with image, which is the central point of Bordas model.

The Bordas model has some limitations, especially the orientation at the demand (marketing) in tourism industry and its application for the long-haul tourism destinations. Image plays the central role in this model and represents the perceived value. Interesting in this model is a fact, that the image has been created independently and without any connection to tourism. Vanhove (2006, Kozak, p. 108) explains, “in the case of a bad image, it is difficult to change it. Only the improvement of the supply side and the creation of new and/or upgraded products can be helpful.” In marketing theory, image represents one of the most important marketing tools.

Second factor, influencing the tourism destination competitiveness, is the perceived cost. Vanhove (2006) explained a variety of cost classification as “the economic costs, the physical efforts, the psychological costs.” Some types of these costs, especially psychological costs (hygiene, health care, risks), have been implemented as the indicators in the tourism monitor (TM), which will be briefly discussed later.

The Bordas model reflected to some interesting facts in competitiveness of tourism destinations; however its weakness is that the implementation of that specific model has not been fully tested. Questionable is also some limited orientation (one side orientation toward the marketing activities). Vanhove (2005) appreciated its complementarity, especially, that “the model underlines a number of factors neglected or underestimated in other approaches.”

The most complex model is the “Ritchie and Crouch’s Conceptual Model of Destination Competitiveness.” As has been already discussed above, the model is based on two advantages - comparative and competitive and their implementation. Vanhove (2006) described the main division of the factors of comparative and competitive advantages as “the components of the model are the global macro (environment), the competitive (micro) environment, core resources and attractors, supporting factors and resources, destination policy, planning and development, destination management; and qualifying and amplifying determinants.” This model contains and summarizes some of the above described models and approaches; however, despite the complexity and content richness, the model seems to be too complicated and not easily understood by some tourism policy representatives. The important factors in this model are a sustainability and a community approach. The economic and marketing factors have been wisely balanced with a sustainability approach. Environmental protection and sustainable behavior have been also introduced in some different concepts, for example in Poon’s model in connection with a new tourism development (environmentally conscious tourism).
The macro-environment (economic, climatic, geographical, environmental, demographic, social and cultural, technological, political) and micro-environment factors (suppliers, enterprises, intermediaries, customers, destinations, destination marketing organizations, supporting industries, and the other stakeholders) are parts of the holistic tourism system and their synergy is crucial for competitiveness. “An important conclusion is that there is an association between domestic rivalry among tourism enterprises and the creation of persistence of competitive advantage” (Vanhove, 2005; Porter, 1990).

Ritchie & Crouch (2003) defined the most important pulling factors as the main motivation indicators, and they were introduced as “the physiography and climate, culture and history, activities, special events, entertainment, superstructure, market ties (religion, ethnic root)” (Vanhove, 2005). These authors stated some interesting facts, which should be explained. Core attractions are crucial for destination competitiveness, however there are some exceptions. The existence of
one negative factor in the model influences the total outcome. Crouch and Ritchie used the example that many “economic giants and models of relative political stability, yet still have a modest appeal in many markets” (2003, p. 5).

The supporting factors of the destination competitiveness model are the infrastructure, accessibility (visa, airline access), facilitating resources (human and financial resources), hospitality (host and guests relations), tourism enterprise contributions, political will (allocation of scarce resources). Vanhove continues in the recapitulation of the qualifying and amplifying factors (2005, p.132), which have a moderate impact on destination competitiveness and have been developed in the Crouch and Ritchie’s model. These “situational conditioners are location, destination safety, destination cost level, destination interdependencies, destination image, carrying capacity “(Vanhove, 2005, p. 132).

The model is compound of two parts, a destination policy and development (DPPD) and destination management (DM). As Ritchie and Crouch (2003) stated, “DPPD is essentially an intellectual process that uses the information, judgment and monitoring to make macro-level decisions regarding the kind of destination. DM is more a micro-level activity in which all the stakeholders carry out their individual and organizational responsibilities on a daily basis in efforts to realize the macro-level vision contained in policy, planning and development”.

A highly competitive destination does not exist by chance (Vanhove, 2005; Crouch & Ritchie, 2003). Destination policy and development in tourism contain the economic/business management (strategic planning, marketing, business management, human resources management, environmental management). The model of destination management, contained in Crouch and Ritchie’s concept, include such factors as the organization, marketing, service quality, research, resource stewardship, crisis management, human resources, and financial capital.

At the end of the polemics on the Crouch and Ritchie’ model, the authors of the model stated that “while many other paradigms have been the basis of books on tourism, we believe that, from a management perspective, the destination is the fundamental unit on which all the many complex dimensions of tourism are based” (Crouch & Ritchie, 2003).

Tourism Competitiveness Monitor

Theoretical models, stated above as a result of the extensive academic work, have been implemented in a practice by applying of the tourism competitiveness monitor. World Travel & Tourism Council uses the models and indicators to monitor the competitiveness of destinations. The Monitor contains eight indexes to monitor the competitive-
ness (price competitiveness index, human tourist index, infrastructure index, environmental index, technology index, human resources index, openness index, and social index). The competitiveness monitor serves for the measurement and forecasting of competitiveness, identifies the gaps in competitiveness performance, and compared the competitive advantages and disadvantages. The Travel & Tourism Competitiveness Index covers 140 countries and is based on the data from publicly available sources, international travel and tourism institutions and experts as well as the results of the Executive Opinion Survey conducted by the World Economic Forum and its network of partner institutes (research institutes and business organizations). The Travel & Tourism Competitiveness (TTCI) Index has been created from three sub indexes: the T&T regulatory framework sub index, the T&T business environment and infrastructure sub index and the T&T human, cultural, and natural resources sub index. Sub indexes are built by 14 pillars (Policy rules and regulations, Environmental sustainability, Safety and security, Health and hygiene, Prioritization of Travel & Tourism, Air transport infrastructure, Ground transport infrastructure, Tourism infrastructure, ICT infrastructure, Price competitiveness in the T&T industry, Human resources, Affinity for Travel & Tourism, Natural resources, and Cultural resources).

In comparison to the use of this method in the above mentioned models, the critical statements have been raised against the overestimating of the measurement of the country’s overall competitiveness development rather than using it in tourism destination competitiveness concept. Parallel criticism has been aimed at the repetitiveness of some indicators, for example “tourism openness index”, which could be included in the “tourism impact index”. The existence of the index of tourism competitiveness and its implementation into the practice are important for the awareness of countries to become more competitive in tourism and not only be successful.

METHODOLOGY

The secondary research approach has been applied for obtaining some examples of good practices from both countries – Austria and Switzerland as well as content analysis of existing literature dealing with models of competitiveness and explanation of models content. The results were also collected during a post-graduate study stay in Canada. Some ideas and topics were discussed with some academics as B. Ritchie (Haskayne School of Business, Calgary, Alberta) and Stephen Smith (University of Waterloo, Ontario), etc. The specific cases were also studied during a former research dealing with competitiveness of
tourism in Austria and Switzerland. The study is more conceptually based and uses some case studies collected during former research and personal communication with the tourism representatives and academics especially from Austria, but is predominantly on former secondary research and partly on empirical research. The former research interest and publications dealing with one of competitiveness component – tourism destination policy and financing (studied in both countries – Austria and Switzerland) has been partly incorporated into this research.

Findings and Discussion

One area, where tourism changes penetrated and which is significantly embracing further development of tourism business and competitiveness, is consumer centric tourism marketing (CCM) based on the creation of a relationship (kinship) between a customer and tourism destination. CCM is one of relatively innovative approaches to marketing and branding. This type of relational marketing is highly focused at evoking of a strong loyalty relationship between a tourism destination and customers. A process of tailoring tourism services and offer to the demand of customers requires a sophisticated marketing and management approach and the existence of a skilled labour in tourism. Some countries, such as Switzerland and Austria, have based their tourism business and strategy on provision of highly sophisticated and strictly consumer-demand tailored tourism services.

Case study: Austria

Austria ranks third in competitiveness of tourism, measured by the Tourism Competitiveness Index with such priorities as for instance “an example of quality in comparison to quantity“. Austria, similarly as Switzerland, was able to implement legislative and especially organizational changes in tourism (in the policy and management toward the innovation approach). The innovative tourism destination strategies and customer oriented marketing strategies have been designated as one of the most important approaches in Austrian tourism development strategies. State funding was primarily focused on development of standard of quality in tourism, especially in the service sector. Austria applied some guiding principles of success from the above stated models of competitiveness, especially Poon’s model of new tourism approach (service sector orientation), innovation, and differentiation. For this reason, both countries were able to build a positive image and reputation as countries with highly recognized and unique tourism product and tourism services. However, some other ideas mentioned in different models (Dwyer, Bordas) could be visible in the strategies
applied in successful countries as Austria. Dwyer encompassed besides quantitative factors as price also qualitative (soft factors) as attractiveness and image, reputation. Austria was able to build a strong image as one of the most stable countries in Europe with clean environment and high living standard. This might be based on factors, which were underlined as the competitiveness factors in Bordas model (factors of quality, socio-economic, and demographic factors). Creation of image and reputation seems to become one of the strongest tools of competitiveness in this period of time, especially in the time of turmoil, political instability, and economic crises. Austria and similarly Switzerland are two successful countries, which were able to establish their extremely positive image as stable and attractive destinations for tourism. Poon’s model stressed the innovation and differentiation. Sustainability, social responsibility and respecting of demographic factors in the tourism product offer are strong competitive factors of Austrian tourism. For instance, the National Social Responsibility Index and the application of CSR (corporate social responsibility) in Austria is strongly supported by a government, and Austria is 12th among 180 countries in the world (ahead of Germany, Great Britain and France) in the implementation of CSR. Austria ranks 1st in health and hygiene, 1st in the quality of tourism infrastructure, 2nd in travel and tourism regulatory framework (innovative management based on clusters, partnerships and cross-border co-operation, etc.). Strong sustainability principles, innovations and social responsibility enabled to achieve an international success. Sustainable development means a synergy of a triadic enforcement of the environmental (ecological), commercial (economic), and social factors or pillars into development strategies. Sustainability, economic performance and quality of life are important pillars supporting competitiveness.

Tourism in Austria (www.austriatourism.com) is focused at three visions – technology, regionality and the visitor-host relationship (co-creation and prosumer principle building). Customer orientation, openness to foreign visitors and local stakeholder involvement are the best-practice capabilities of successful tourism destinations. One example of such activities is the regional cooperation management and linking Austria to the regions of neighbour countries as for example Hungary, Slovenia, Czech Republic, Slovakia, etc. An excellent example of the innovative approach, based on the new strategies of regional development and innovations, are so called learning regions. For this reason Austria, by applying the principles of regionality and co-operation with neighbour countries, was able to succeed. Network creation, learning partnerships with intercultural goals, cultural sensitivity and openness have created favourable conditions for Austria to be a strongly competitive country in the world in all aspects, not only in tourism.
Case study: Switzerland

Switzerland ranks 1st in the TTCI in Human Resources quality, 2nd in Safety and Security, Environmental Sustainability and 3rd in Ground Transport Infrastructure (after Hong Kong and Singapore) and was able to build a high quality service offer based on the co-creation principles and unique services in tourism. This means the improvement of so-called relational marketing and branding as well as place marketing (image and reputation). Swiss tourism success is based on a horizontal, vertical and lateral co-operation of tourism businesses (predominantly privately owned) with the other tourism representatives (associations, sectors, etc.) and public sector representatives. A majority of enterprises in Switzerland are small enterprises, which as a source of higher transaction costs require stronger state interventions into tourism (regulations, legislation, tax incentives, etc.). Social responsibility and quality of environmental protection as well as the availability of qualified labour are major success factors of Switzerland. Stewardship of natural resources and land protection as well as the environment regulation are factors of success, which were stated in several models of competitiveness, for example in Poon’s model. One of main campaigns during the last period was repositioning of summer tourism strategy for the years 2012-2015 and the market segmentation strategy toward new markets (BRIC countries), especially India as one of most potential tourism destination and partner. Switzerland is one good example of destination, which has a long period of tradition as a stable island of prosperity and reputation. Contemporary customers are mostly looking at such values as the quality of life and clean environment, and the image and reputation of destinations is a strong factor because any negative information is spread out quickly via social media as Twitter, TripAdvisor, Facebook. For this reason, competitive countries have to be cautious about their image and reputation. Switzerland and also Austria implemented a very strong branding and loyalty building concept into their tourism strategies. One of the examples of a stronger loyalty building through branding is the individual and personal service offered to the clients (image built through high service quality in Switzerland) by the implementation of so called alternative lifestyle hotel services. A creative approach to service provision, which is highly personalized and built through a strong segmentation and by the application of psychographic factors, is one of new ways of doing tourism business in Switzerland. Another important factor, which influences Swiss reputation and ranking is the quality of educational institutions in Switzerland (11th pillar – Human Resources) and especially a quality of highly prestigious tourism educational institutions, for instance hotel schools as Ecole Hoteliere de Lausanne, Swiss
Hotel Management School, Les Roches International School of Hotel Management, Ecole Hoteliere de Geneve, IHTTI School of Hotel Management in Neuchatel and the others. The quality of labour and the education in tourism are interrelated, and Switzerland similarly as Austria was able to apply the principles of innovations and competitive growth into their tourism strategies and economic and social development, which are important preconditions of competitiveness growth.

CONCLUSION

Competitiveness of tourism destinations belongs to the core topics of tourism policy. Seven existing models of tourism competitiveness have been introduced and discussed; however as Ritchie and Crouch have stated (2003), “models should not be used to make decisions; they assist in decision making, but should not substitute for the role of the decision maker.” As Jenning stated (2007), “the research agenda of tourism is vast. It covers many items, ranging from macro (or meso-) economic research on the importance of tourism sector or ecological sustainability through to local or global quality of life to micro-behavioral research on motives or spending patterns of tourist.” The concept of competitiveness has been discussed and studied from the different sides and point of view and especially with the focus on tourism. The existing models are; however, quite useful in different economic scenario, not only tourism settings.

The most important factors, which influenced competitiveness of some leading countries in tourism as Switzerland and Austria, have been underlined and discussed. Both countries achieved an excellent ranking in tourism competitiveness monitor (T & T competitiveness indexes based on several factors, not only tourism bound factors). It seems that both countries could benefit from the ability to apply some strategic concepts of the above discussed models of tourism competitiveness (as for example Poon’s or Bordas models) with strong social responsibility and quality of the environmental protection and image and reputation building. Branding and strong loyalty building through a provision of personally tailored services and sophisticated segmentation based on the psychographic factors are in this period of time very crucial strategic managerial decisions in order to be competitive. On the top of it, both countries have an excellent legislative, organizational and managerial framework of tourism business and tourism is one of the priorities of both governments. In conclusion, Switzerland and Austria are strongly focused on the quality of labour and the education of students who will be employed in tourism. This might
be one of the strong examples of the innovative approach to competitiveness and destination growth.

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THE RELATIONSHIP BUILDING STRATEGY WITH PARTNERS IN TOURISM MARKET

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ABSTRACT: Today’s business environment consisting of network organizations with growing number of links and interdependencies between companies changes an approach to management. Traditional firm-centric strategies should be complemented by network strategies, since competition increasingly occurs between networks replacing competition between firms. In order to gain a competitive advantage, it is necessary to create a competitive network which requires developing relationships with customers and other groups of stakeholders. In the travel and tourism industry, the ability to build long-term relationships with the tourist company’s partners is particularly important, since tourist products are composed of numerous services delivered by suppliers. The aim of the paper is to show the relationship building strategy with the tourist company’s suppliers in the context of selecting partners, determining the conditions for cooperation, and application of communications tools facilitating the development of the mutual ties. To illustrate the discussed issues, the case of Mazurkas Travel, Polish Incoming Tour Operator, is analyzed. The conclusions are formulated with regard to the role of relational capabilities as important tourist company’s core competencies and a source of competitive advantage as well as communications tools used to build and strengthen the company’s relationships with partners in the new product development process. Keywords: network organization, network strategy, network innovation, relational capabilities

INTRODUCTION

In the travel and tourism industry with enormous competition between tour operators and other tourist services providers, one of the most significant challenges for managers is to develop competitive tourism products. Since a large number of tourism products offered by tour operators are composed of numerous services delivered by suppliers, the ability to cooperate and build long-term relationships with the tourist company’s partners is particularly important. The recent studies show that designing new products requires effective communication among those who are involved in the process of product development. Moreover, relational capabilities are crucial...
for good communication with partners and building mutually beneficial relationships.

The aim of the paper is to show the relationship building strategy with the tourist company’s suppliers in the context of selecting partners, determining the conditions for cooperation, and application of marketing communications tools as well as other communications means facilitating the development of mutual ties. The main thesis refers to the statement that the relational capabilities are important tourist company’s core competencies and a source of competitive advantage. The application of appropriately selected communications tools strengthens the company’s relationships with suppliers in the new product development process, which results in creating enhanced customer value proposition. To illustrate the discussed issues, the case of Mazurkas Travel, Polish Incoming Tour Operator, is analyzed.

*Developing marketing network through relationships*

The emergence of new communication and information technology has a tremendous impact on the society and existing social structures. Modern society is described by many authors as the network society, since people, organizations, and communities are linked to one another, having a constant access to information and communication (Van Djik, 1999). Some researchers argue that networks have become the basic units of modern society and key social structures and activities are organized around electronically processed information networks (Castells, 1996). In the network society firms are operating in a system of interrelated businesses, which changes the landscape of business, causes both opportunities and threats, and implies new approaches to strategy formulation process and other managerial decisions.

Companies which were once perceived as self-contained nodes connected with other enterprises, are now seen as an integral part of networks. The network-based nature of business have changed relationships of companies with one another, customers, employees, and other groups of stakeholders. New network-based organizations require extending the traditional approach to strategy and competencies. Networks have implications for business especially in the areas of risk management, strategy, marketing, human resources, and value creation, which requires new approach to business models. Traditional firm-centric view of competencies and models need to be complemented by new network-based models, and firms should view their profits and risks in terms of their relational capabilities in their networks rather than in terms of what they control internally. Core competencies also look different from network perspective. The competencies that are important are no longer the ones a company owns, but rather the ones
a company can connect to. Thus, all managerial decisions should be made in the broader context of networks (Kleindorfer, Wind, 2009).

Networks create new opportunities for innovation, product design, and development, which are no longer centered in a single firm. Managers need to understand how to get the best ideas and develop products through networks. Formulation of an innovation strategy requires a new approach and shift toward network-centric innovation with the emphasis put on external networks and communities, including customers, suppliers, and other groups of stakeholders, as well as independent inventors, and academic researchers (Nambisan, Sawhney, 2009). Since many products are complex, composed of networks of interconnected elements, they should be designed by networks of design teams working on different components of the product. Thus, designing new products requires effective communication among those who are involved in the process of product development. Moreover, effective communication and relational capabilities are crucial for cooperation and building long-term relationships, necessary for the success of the network-based strategies.

In recent decades, the approach to marketing communications has changed due to growing number of communication channels, and more fragmented audiences made up of sophisticated consumers. Many companies moved toward integrated marketing communication, instead of using selected communication tools to achieve their communications objectives. Integrated marketing communications is the concept that recognizes the added value gained through integration and coordination of all marketing communication tools, functions, and sources within a company into a consistent program. This program is designed to bring together advertising, direct marketing, sales promotion, public relations, and other communication tools to maximize impact on consumers and other stakeholders (Clow, Baack, 2007). Additionally, it is important to remember that firms communicate with many groups at the same time, including potential buyers, current users, employees, suppliers, distributors, influential groups, and general public, so it is necessary to design communications aimed at specific audiences.

Today's communications cannot not be simply viewed as a set of tools designed to obtain the desired audience response. It should be rather viewed as a process of building and developing relationships with customers and other groups of stakeholders leading to the creation of a marketing network. The ability to develop an effective marketing network and build mutually beneficial relationships with stakeholders enables a company to gain competitive advantage in the market (Kotler, Keller, 2007). Creating marketing network requires integration and coordination of all communications tools as well as other marketing...
The concept of relationship marketing was introduced in the 80s and initially referred to as attraction, maintaining, and enhancing customer relationships (Berry, 1983). Later, the definition was extended and a broader view towards relationships was taken. In addition to customer markets, it was suggested to develop relationships with other markets with which a company interacts as well as internal markets (Christopher et al, 1991). Customer markets remain of prime importance for marketing activities of a company, however, developing relationships with other groups of stakeholders has recently gained more significance. Additionally, effective communication within the organization, which helps ensure that all staff understand marketing approach and is eager to serve customers, is emphasized due to its impact on creating customer value, especially with regards to customer service.

There are numerous relationships and interdependencies between sectors in the travel and tourism industry, since the development of many tourism products requires cooperation between service providers and the visitors usually need a variety of tourist services to satisfy their needs. Thus, the main tourism sectors including accommodation, food and beverage service, recreation and entertainment, transportation, and travel services, are strongly linked and interrelated. In the process of customer value creation, tour operators cooperate with suppliers delivering partial services, travel agents selling package holidays to tourists, tourist organizations and other entities involved in promotion of tourist destinations aimed at creating demand for new directions and tourist product. Moreover, they need to take into account customers’ needs and preferences while developing new tourism products.

A company which develops a better marketing network and builds mutually profitable relationships gains competitive advantage in the market (Kotler, Keller 2007). Thus, the ability to build a competitive network through relationships can be seen as one of the company’s core competencies. The development of relationships requires an understanding of needs and goals of different groups of partners and developing programs and tools suitable for enhancing relationships. Tour operators should design marketing programs adjusted to the specific character of network partners. Since marketing communications plays an important role in building and maintaining positive relationships, communications strategy should be carefully planned and communications tools appropriately selected. All communications tools as well as other marketing instruments should be integrated and coordinated to ensure consistency and coherence of implemented strategy.
The methodology and discussions of results

Considering the complex character of tourism products offered by tour operators, the ability to build and maintain positive relationship with suppliers is crucial for shaping the competitive market offering and gaining competitive advantage in the market. The process of the new tourism product development is concerned with the necessity of making new contacts, negotiating the conditions of cooperation with the numerous suppliers, and developing good relationships with them. Due to the specific nature of tourism products, it is necessary to extend knowledge on the factors determining beneficial cooperation with suppliers as well as effective communications means important for building relationships and maintaining and enhancing mutual cooperation.

In order to get information concerning the importance of building and maintaining positive relationships with suppliers in shaping competitive tourism products, a case study of Mazurka Travel, Polish Incoming Tour Operator, is analyzed. The company was selected due to several reasons, including: its experience in the market, strong position, and a wide range of tourism products composed of various services delivered by suppliers. The in-depth interviews with the company’s managers were conducted.

The aim of the research was to analyze the relationship building strategy with the tourist company’s suppliers in the context of selecting partners, determining the conditions for cooperation, and the application of marketing communications tools and other means of communications facilitating the development of mutual ties. The identification of barriers to cooperation and reasons for termination cooperation were also among important research tasks.

The assumption was made that the relational capabilities are a prerequisite for developing mutually beneficial relationships with suppliers, which enables creating competitive tourism products, and therefore must be seen as important tourist company’s core competencies and a source of competitive advantage. It was also assumed that the application of appropriately selected communications tools as well as other means of communications strengthens the company’s relationships with suppliers in the new product development process, which results in creating enhanced customer value proposition. Moreover, it was assumed that the ability to select and adjust communications methods, tools, and techniques to a particular group of suppliers as well as individual suppliers can be considered as an important relational capability.

Mazurkas Travel is a privately owned Polish Incoming Tour Operator, DMC, and PCO company founded in 1990. It specializes in incoming tourism, designing and implementation of tailor-made programs
for business meetings, incentives, product launches, conferences, conventions, seminars, exhibitions, special interest tours and hospitality services in Poland. Mazurkas Travel offers concept making, consulting, accommodation, transportation and other tourist services. The employees working in the multilingual teams design departure tours and leisure programs with wide selection of itineraries as well as special interest tours for organized groups of tourists and individual travelers. Mazurkas Travel cooperates closely with Mazurkas Travel Transport and MCC Mazurkas Conference Center & Hotel, which enables offering complex and high quality services as well as a large number of suppliers (www.mazurkas.com.pl, accessed January 2014).

According to the opinions of the surveyed managers, in the majority of cases, developing tourism products offered by Mazurkas Travel, requires cooperation with the numerous suppliers, including: hotels, restaurants, transport companies, tour leaders, guides, and other tourist facilities, such as: museums, galleries, craft centers, historic churches and the like. In order to create competitive tourism products, it is necessary to carefully select the suppliers, define the terms of cooperation with all partners involved in shaping tourism products, develop a communications strategy for reaching a particular group of suppliers, and decide to end cooperation in case of arising problems. Thus, it can be stated that the company act as a network orchestrator. The president of the company with the directors make decisions regarding the choice and the conditions of cooperation with suppliers, however, service personnel responsible for developing tourism products can select the suppliers from those who are cooperating with the company. Table 1 shows the estimated number of suppliers and key suppliers cooperating with Mazurkas Travel. The company has been cooperating closely with about 90-100% of suppliers for more than 4-5 years, which means that it has developed long-term relationships with the majority of partners.

Table 1. The suppliers cooperating with Mazurkas Travel

<table>
<thead>
<tr>
<th>Types of suppliers</th>
<th>Number of suppliers</th>
<th>Number of key suppliers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hotels</td>
<td>50-80</td>
<td>20-25</td>
</tr>
<tr>
<td>Restaurants</td>
<td>50-80</td>
<td>25-30</td>
</tr>
<tr>
<td>Transport companies</td>
<td>15-20</td>
<td>5</td>
</tr>
<tr>
<td>Tour leaders</td>
<td>50</td>
<td>20</td>
</tr>
<tr>
<td>Guides</td>
<td>50</td>
<td>20</td>
</tr>
<tr>
<td>Other tourist facilities (museums, galleries, historic churches, craft centers and the like)</td>
<td>100</td>
<td>20</td>
</tr>
</tbody>
</table>
The hotel selection criteria which were the most frequently indicated include: location, price, flexibility, and good relationships with the hotel staff. The choice of restaurants depends largely on their location, price, décor, atmosphere, and the menu offered. Transport companies should be characterized by the following factors: quality, competitive price, flexibility, diversity of means of transportation, and good manners of drivers. Tour leaders and guides are expected to be knowledgeable and experienced, have a good command of foreign languages, be flexible and have an individual approach to tourists, and be able to cooperate with the office personnel. The selection of museums, galleries, historic churches, craft centers and other tourist facilities are determined by their attractiveness (the presence on the UNESCO list), availability (days and hours), flexibility, and the linguistic diversity of guides.

The most important factors facilitating good cooperation with hotels’ managers include: flexibility, ability to cooperate, willingness to negotiate, individual approach, understanding the specific character of each group of visitors, offering extended services such as: spa, wellness, swimming pool. Maintaining good relationships with restaurants’ managers depends on their flexibility, ability to cooperate, willingness to negotiate, individual approach, and the ability to adjust the menu to the visitors’ preferences as well as speed of service. Among the factors which enable good cooperation with transport companies are: a large selection of means of transport, offered discounts, flexible approach, and good communication with drivers. Long-term relationships with tour leaders and guides depend on their personality, reliability, flexibility, appearance, communication skills, quick responses to e-mails, and eagerness to cooperate with service personnel. Attractiveness, availability, and flexibility are key determinants of successful cooperation with museums, art galleries, craft centers and other tourist facilities.

In order to maintain and strengthen relationships with all groups of suppliers, it is necessary to use various types of communications, ranging from marketing communication, through business communication, to informal communication means. The most common forms of marketing communication include: business meetings, study tours, greeting cards, occasional meetings and parties. Business communication is performed through e-mails, telephone calls, and direct mail, whereas social networks such as Facebook are informal means of communication. Developing relationships with hotels and restaurants requires more emphasis put on marketing communication means, such as business meetings, study tours, placing ads in catalogues and other promotional materials.

All forms of communication play a significant role in shaping positive relationships with suppliers. Other factors that are crucial for developing and enhancing mutual ties include: availability and quick re-
Building positive relationships with suppliers is essential for the new product development, however, it was not directly indicated by
the surveyed managers. Among the factors listed as crucial for creating competitive tourism products were: uniqueness, creativity, originality, as well as the added value. Restaurants can serve for instance: a welcome glass of vodka or a farewell glass of cherry vodka, offer bread and lard as a free starter, welcome guests with bread and salt, or have a carefully selected background music, while hotels may offer additional services such as: a swimming pool, spa, wellness or have an interesting interior design. Moreover, the quality of delivered services is very important for the tourism product competitiveness as well as tailoring the offer for the specific target audience and the individual approach to customers. Since there is a wide range of suppliers, the price for services offered is also one of the decisive factors when selecting partners. Additionally, it is important that the tour operator’s service personnel possess an extensive knowledge on the customers and markets, which allows them to develop the tourism products adjusted to customers’ needs and preferences.

Despite the fact that building positive relationships with suppliers was not listed as one of the prerequisites for creating a competitive tourist offer, all managers stressed the importance of mutual ties when they were asked about the role of good relationships with suppliers in the new product development process. They emphasized that good cooperation with partners is a result of the previously mentioned factors. In order to build and maintain positive relationships with suppliers, it is also necessary to define barriers to beneficial cooperation. According to the managers the main problems arise from: lack of understanding, lack of flexibility, lack of interest and willingness to solve problems, lack of professionalism, disregard, conflictuality, failure to meet the terms of agreement, dishonesty, and poorly handled complaints. The reasons for termination of cooperation between the tour operator and the suppliers can be due to: low quality of provided services, lack of problem-solving skills, lack of flexibility, shifting blame to other parties, and customers and tour leaders’ complaints.

CONCLUSIONS

Shaping tourism products such as package holidays, congresses, conferences, incentive travels requires the involvement of many entities whose services are an integral part of tourism products. Thus, due to the complexity of tourism products, tour operators cooperate with numerous suppliers including hotels, restaurants, transport companies, tour leaders, guides, and other tourist facilities. Tour operators which act as network orchestrators need to select suppliers, define the terms of cooperation, and build and strengthen ties with all actors involved
in the new product development process. Moreover, they need to implement varied activities to develop relationships and adjust means of communications to the specific character of each group of suppliers.

The study shows that the creation of competitive tourism products requires maintaining and enhancing the relationships with all parties involved in the new product development process. Tour operators select suppliers based on a good understanding of market and extensive knowledge of customers as well as their needs and preferences. Furthermore, factors of tourism product competitiveness such as: originality, uniqueness, added value, quality of services, individual approach and price advantage are taken into consideration while selecting suppliers. Marketing and business communications play an important role in building mutually beneficial relationships.

The tourism product development depends largely on the suitable selection of suppliers, defining mutually beneficial conditions of cooperation, and building and strengthening the relationships through the applications of the selected means of communication. The quality of tourism products offered by tour operators depends on the quality of services delivered by suppliers, which means that tourism products are the result of combining core competencies of all entities involved in the tourism product development process. This combination of core competencies allows tour operators to create unique value for customers.

Relational capabilities, which are crucial for mutually beneficial cooperation of network partners, should be regarded as an important source of competitive advantage and one of the key competencies of network companies. Lack of competence in the area of relational capabilities can be a significant barrier to cooperation between tour operators and suppliers. Thus, tour operators as network orchestrators should take into account the issue of building and strengthening relationships with suppliers while designing their strategy and select the most efficient communications tools to improve cooperation.

Since the study was concerned with the investigation of the relationship building strategy with suppliers in Mazurkas Travel, Polish Incoming Tour Operator, it would be recommended to continue the research and examine relationship building strategies with suppliers in other travel companies offering tourism products.

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www.mazurkas.com.pl
STRATEGY FOR SMALL HOTELS
CASE STUDY OF A HOTEL LOCATED IN HARKÁNY, HUNGARY

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ABSTRACT: In the South Transdanubian region of Hungary, SMEs active in tourism are a hugely important factor in economic development. This paper aims to find ways in which small enterprises may benefit by using principles of Strategic Management in the development of their business. The theoretical principles will be applied in practice by examining the case of a small hotel, as one typical example of an SME active in this industry. The limited resources available and the modest level of activity make it difficult for the management to employ strategy in the ways used by hotel chains or corporation. However, given their typically short chains of command and their ability both to make and implement decisions rapidly, they have the added advantage of being able to adapt or modify the planned strategy as it emerges. We investigate specific areas of hotel activity and also the region’s tourism industry (with special regard to Harkány). From the many forms of Management Strategy practiced, the paper attempts to offer some relevant and realistic recommendations for finding a strategy pattern which is easy to implement for the management of a small hotel. Keywords: Tourism, Regional, Harkány, Hotel, Strategy

INTRODUCTION

South Transdanubia comprises three counties (Somogy, Tolna and Baranya), but the region as a whole is peripheral within Hungary (and so within the EU) and is one of Hungary’s most backward, with the level of deprivation increasing as one moves south towards the Croatian border. Recent years have seen the disappearance of several major sources of employment in the region. The largest of these (Finland’s Elcoteq) employed some 7,500 at its peak, but others such as Nokia and several other companies in the contract assembly field each employed several hundred people. The net loss of jobs has been devastating economically. One of the few favourable developments has been...
in the field of tourism. The wine industry of Villany has been important for many years, but the tourism dimension added by the Siklos-Villany Wine Route looks likely to develop further, although, on the other hand, the stimulus provided by the Pecs 2010 European Capital of Culture year has already died. However, the major contributor to the future in this sector will be Health or Spa Tourism since the region is provided with abundant natural resources – even though its peripheral character is a problem to be faced over the coming years.

The small and medium enterprises, SMEs, especially micro-enterprises, are representing a highly important factor in economic development. The tourism industry in the southern part of this region (Baranya County, lying along the Croatian border) is an essential source of revenue. According to the Hungarian Central Statistics Office (HCSO), in 2011, 40% of the companies active in tourism in Hungary are SMEs, and of these 97% have fewer than 20 employees. This paper deals with finding ways for small enterprises to benefit from using strategic management in seeking to develop their business. We will review which strategic management approach is most suitable and which strategic tools can be applied to small enterprises active in the tourism industry in general and in the spa-town of Harkány in particular. The theoretical findings will be applied in practice by examining in some detail the case of a small hotel, as one specific example of an SME active in tourism and the vacation industry. Their limited resources and the small scale of their activity make it difficult for them to employ strategy as hotel chains or corporations can do. However, given their special characteristics, such as low power distance, and a rapid decision-making process, they have the advantage of being able to modify in the shortest possible time the planned strategy as it emerges. Investigations into hotel activity and research into the regional tourism industry are used for our analysis and to draw conclusions. The data used is from Baranya County’s SME survey, which was completed in 2013.

Our principal questions are:

• Which management strategies should a small hotel located in this region adopt?
• Should the hotel focus on one strategy or on several?
• Why is the form of strategy applied in small hotels so important?

As a product of our research we hope to be able to conclude with some degree of confidence which strategic tool and which strategy will best meet the goals of small hotels situated in a not particularly well-known tourist region. To assist us in this we have selected a small hotel located in South Transdanubia in the spa-town of Harkány.

Little or no research is evident on such strategies in relation to the region, and with our research we attempt to fill the gap by determining a strategy pattern which is both suitable and easy to implement.
The European and Hungarian context of SMEs activate in Tourism

Tourism is a major economic activity in Europe as a whole – and not least in Hungarian regions and small towns such as Harkány. Further, tourism is a strategic pillar of local and regional development and of preserving the cultural heritage. The great majority of hotels in the tourism sector belong to the Small and Medium Enterprises (SME) category, and, indeed, the sectorial pattern of the EU-27 shows a particularly high number of ‘micro-enterprises’ (with fewer than 10 employees). In total, their workforce accounts for 42.1% of the total number of employees working in the accommodation industry of the EU-27 and their total value added amounts to 36.6% of the EU-27’s total. What we classify as ‘small’ enterprises (those employing from 10 to 49) are also significant in terms of the workforce and added value in the sector, representing more than a quarter of the total. The other types of enterprise – for example, ‘medium’ and ‘large’ enterprises - are relatively less important. Overall, the hotel and restaurant industry is one of the most important sectors in both the European and Hungarian economies. As the figures below show, at EU-27 level the accommodation & food services industry is in 10th place among industries in terms of value added and 7th in terms of employment.

![Figure 1: Breakdown of non-financial business economy by value added and employment](source: Eurostat)

At European level, the hotel business is categorised in the statistical classification of economic activities in the European Community
(NACE - revision 2) as the “accommodation and food services sector”. According to Eurostat statistics, in the EU-27 in 2010¹, this industry recorded a total of €195.6 billion as value added and employed 10.1 million people. In Hungary, again in 2010, the value added for the industry is recorded as €728.5 million, with employment reaching 129,900. As for the structure and contribution of SMEs, Hungary shows different figures. Hungarian SMEs contribute some 77% of the total value added, and, within the SME sector, ‘micro’ and ‘small’ enterprises showed lower figures than the EU-27 - 29.1% and 26.3% respectively. A feature of the Hungarian scene is the contribution of ‘large’ enterprises - at 22.3% one of the highest in the EU-27 (Eurostat).

According to the Hungarian Central Statistical Office (HCSO), in 2011, 40% of the companies active in Hungarian tourism are SMEs, and, of these 97% have fewer than 20 employees.

At European regional level (NUTS-2), a region’s capital, major city or unique region employs most of the workforce of the industry, and coastal and mountain regions are among those specialising most in accommodation. No Hungarian region, therefore, features in the first 20 European regions - either in terms of value added or of employment (Eurostat).

Features of the tourism industry

The industry is characterized by highly seasonal demand, with the variation between highs and lows being higher than in most industries. The demand for accommodation is negatively affected by economic downturns or slowdowns, as spending on tourism will be among the first to be cut if potential customers see their income fall. A decrease in demand also affects other, related industries and so the whole economy. One of the measures taken by the European Commission (EC) to counter the downturn was to launch its ‘50,000 tourists’ programme in 2011. The programme is still in its early stages, but the EC’s target is to attract tourists from South America to Europe during the off-seasons and so improve the seasonal factor. In line with this, the Hungarian government encouraged and stimulated spending on Hungarian tourism by implementing the Széchenyi Leisure Card programme, which basically reduces taxes for enterprises if a certain amount of employees’ monthly income is paid into a special account. This income can then be used in those hotels, restaurants and events in Hungary and registered in the programme, which has proved to be successful. Hungary’s GDP increased by 1.6% in Q2, 2011, the hotel and restaurant

sector contributing with 0.6% (HCSO, 2011). Other special features of the industry, as in other service industries, are related to the pressure of continuous customer service - 24 hours per day - and low wages. The industry is characterised by long and irregular working hours, it being essentially impossible to arrange them precisely. It is often the case that, in small hotels, personnel may be asked to work long hours in the high season and take their holidays only in the low season. Other frequent practices are that a hotel hires personnel only for a season, or on a part-time basis. The low wages prevalent in the industry worsen the situation, which leads to there being in some West European regions a constant shortage of personnel in the hotel industry. This, plus the seasonal factor, makes it very difficult to organise the workforce on a year-round basis.

Labour turnover, and the presence of hard-to-fill positions in the tourism industry in some regions, impact negatively on the operation of sectors of the industry. The EC, national governments and regional tourism organisations - in partnership with industry actors – need to work more closely together to develop plans to address these issues.

**South Transdanubia and the spa-town of Harkány**

Thanks to EU and Hungarian government spending on regional development, in recent years in Hungary a significant number of spas and wellness hotels were built - even in such locations where the infrastructure and tourism attractions were inadequate. The most important impact of these developments is that these hotels and spas have been added to the tourism attractions of the region or of the town - generating more investment in local tourism and so in regional development. In terms of tourist nights, of the 7 Hungarian regions, the most important are West Transdanubia and Central Transdanubia. In South Transdanubia the tourist attractions are health and wellness spas, the rich cultural heritage and related events, opportunities for active leisure time, as well as wine tasting and gastronomy. In 2011 the tourism industry in South Transdanubia showed a decline - in fact, of 19% - whilst the country as a whole showed a 3% increase (HCSO 2011). At county level (NUTS-3), in Baranya County, one of the 3 counties forming the South Transdanubia region, the end-January to June period of 2011 showed 18% fewer guests registered in public accommodation than in the same period of the previous year. KSH statistics indicated a strong demand for higher quality, multi-service accommodation, and, of three guests two spent their holiday in a hotel. Overall, of available hotel rooms, only 29% were sold; capacity utilisation was 21% - significantly below the national average of 31%. Indicators relating to health resorts, medicinal baths, spa hotels, and the numbers of
hotels offering wellness services in the region relative to the national level are summarised in the table below (Table 1).

Table 1. Number of Health Tourism Establishments, 2014

<table>
<thead>
<tr>
<th>Region/Country</th>
<th>Health resorts</th>
<th>Medicinal baths</th>
<th>Spa hotels with medicinal water</th>
<th>Wellness hotels</th>
</tr>
</thead>
<tbody>
<tr>
<td>South Transdanubia</td>
<td>2</td>
<td>12</td>
<td>1</td>
<td>26</td>
</tr>
<tr>
<td>Hungary</td>
<td>18</td>
<td>83</td>
<td>30</td>
<td>164</td>
</tr>
</tbody>
</table>

Source: The authors’ own construction

On the map below (Figure 2) we can see, at country level, the distribution of health tourism by those city areas where there are spa hotels with medicinal hotel and/or wellness hotels.

![Figure 2: Territorial distribution of health tourism and spa and/or wellness hotels](health_tourism_map)

Source: HCSO - Hungarian Central Statistical Office, 2013

With respect to the number of tourists, data from South Transdanubia suggest that, after Pécs, the capital of the region, Harkány is the second tourist destination. Whilst Pécs is more attractive for its cultural and historical programmes, Harkány is seen as a spa and health tourism destination due to its thermal bath. The town has only 4,010 inhabitants, which is very low compared with Pécs with 156,049 inhabitants (data from 2011\(^2\)). Clearly, tourism is very important for Harkány’s economy and also for regional development. The statisti-

Analytical data for hotels located in Harkány shows that most are in the two- and three-star categories, with only two having four stars: the Kager Wellness Hotel and the Dráva Hotel. Unsurprisingly, Harkány has no 5-star category hotels. Regarding their structure, all of them are in the SME category; the largest being the Dráva and the Thermal. Figure 3 (below) shows the performance of Baranya County, Pécs (county and regional capital) and Harkány in terms of the number of nights spent in hotels - in many ways the most important tourism-related data. From this particular point of view it is clear that the much smaller spa town of Harkány is, due to the activity and turnover of its hotels, a clear and strong competitor to the culturally attractive and much larger regional capital of Pécs, especially in the summer.

![Figure 3: The number of hotel nights in Baranya County, Pécs and Harkány, 2012](image)

*Source: HCSO (Hungarian Centre of Statistical Office)*

**LITERATURE OVERVIEW**

The literature highlights the differences between large companies and SMEs in relation with strategy and management. In fact, Japanese studies found evidence of the enterprises size over the strategy followed by its managers (Lu and Beamish, 2001). Developing methodologies to formalise strategy for managing small and medium enterprises is often met in academic articles. However, there is little about the strategy of small hotels, and even more, little about those SMEs having activity in the Transdanubia region. Articles concerned with strategy
of small enterprises are not in connection with small hotels. The cost leadership strategy, differentiation strategy and focus strategy are the so called “generic” possible competitive strategies, to be adopted by an enterprise (Porter 1980). According to Porter, to acquire the best results possible, an enterprise should follow one of these strategies: cost differentiation or low cost. Despite its classicism in the literature of strategy, there is not enough empirical evidence to back up the success of these strategies in the tourism industry, for which the small hotels’ manager will not find it applicable (Short, 2003). The literature is pointing to the the scarcity of SMEs’ internal and external resources, therefore the SMEs managers are forced to use them at high efficiently in order make them competitive, which strategy adopted is crucial for SME performance (Pihkala et al. 1999). SMEs not only have limited resources but also low managerial capacities along with their financial limitations constitute a barrier in their international development (OECD, 2009). SMEs managerial knowledge is not always aligned with specific knowledge, and in several countries, UK, France, Czech Republic, Greece and Estonia, to mention only a few, there are development programmes in place to help SMEs remove the “managerial” barriers (OECD, 2009). The survival of enterprises, including SMEs, in the dynamic international environment is strongly related to adopting and implementing a competitive strategy. These strategies are the translation of the SMEs’ short and long term vision into measures to increase customer numbers and to respond adequately to their environment stimulus (Porter, 1985).

The weak management capabilities of SMEs make them unable to compete with larger companies on their local or international markets. Their entrepreneurship, creativity, innovation and strategic management may have the power to overturn this disadvantage (Knight, 2000). Miles & Snow (1978), based on research on four industries suggested a typology for strategy made up of four different types: prospectors, analysers, defenders and reactors. This typology is widely accepted in analysing SMEs by academics (Aragón-Sánchez & Sánchez-Marín 2005; Pittino & Visintin 2009; Parnell & Wright 1993). This approach, of course, might suggest that a company could be successful by adopting more than one of these strategies, if they do so consistently. In the research conducted by Aragón-Sánchez and Sánchez-Marín in 2005, on 1351 Spanish SMEs, they found that, to achieve a competitive advantage, SMEs concentrate on a few management factors: technology and innovation, organization design and human resources. The authors claimed that the competitiveness of SMEs is built on firm’s internal resources which cannot be replicated and the usage of these internal factors makes the difference in strategy between large firms and SMEs. Parnell and Wright (1993) concluded that those firms adopting
the reactor type of Miles and Snow strategy has a poorer performance than others and the successful firms, to be competitive and achieve a higher Return ON Assests (ROA), do not adopt a single pure strategy as suggested by Porter (1985). However, the authors emphasised that the strategy and performance relation is very much dependent on the industry, and so one conclusion cannot be applied in all industries. Cost-leadership strategy, as proposed by Porter (1985), could lead to good performance in well-established industries. In a study published in 2010 by Leitner and Gündenberg on generic strategies adopted by SMEs in Austria, based on two surveys spanning over ten years, found that adopting a combination of strategies - cost-efficiency and differentiation strategies - results in higher performance for those SMEs than for those with no generic strategy or those with a single strategy, such as differentiation strategy. Indeed, on the world scale, larger corporations such as Wal-Mart, IKEA, the German auto industry, and Tesco have adopted hybrid strategies and are known to adopt both cost-leadership and differentiation strategy (Baroto et al., 2012). A study conducted in 2011 by Zhi & Hull of 133 Chinese SMEs - which are among the most dynamic SMEs of recent years - backed up the Austrian findings. Chinese SMEs with hybrid strategy appeared to have better results. The authors clearly indicate that, whilst the Chinese political, economic, social and cultural environment and its stability differ from that in Western countries, where pure strategy was found to be dominant (Ralston et al., 1999), the combination of strategies and their prioritization order and the interrelation between them are crucial for firms’ survival.

In respect of firms’ environment changes that occurred in the last 24 years there are many similarities between the East European and Chinese contexts which make Zhi and Hull’s study findings interesting for our research. The novelty brought by Zhi and Hull (2011), is the prioritization of the strategies and the emphasis on the inter-connections between them. The authors demonstrated that prioritization is recommended for SMEs giving the scarcity of managerial resources rather than balancing the strategies which are more difficult to manage. In an attempt to formalize the combination of multiple strategies, Zhi and Hull proposed a model formed by three strategies: marketing, innovation and cost reduction, specifically in this order. They also found that, in their combination the marketing and innovation and marketing with cost-control strategies are empowering each other. In spite of there being apparent conflict between cost reduction and innovation strategies, this model is proved to support best the effectiveness of the firm as an organization and its strategy. In our study we will examine whether these findings could be applied to SMEs active in tourism in our region.
HOTEL KAGER AND THE STRATEGIES OF SMES ACTIVE IN TOURISM

The following strategies were identified as suitable for Hotel Kager management: marketing, innovations and cost reduction.

Marketing strategy

The management of the Hotel Kager understand marketing, on the one hand, as advertising and direct marketing, and, on the other, as increasing its digital online footprint. Hotel Online Marketing differs from other types of marketing, since customers looking for accommodation have specific behavioural patterns. Knowing these patterns, a hotel could segment the market more effectively and target potential guests more accurately. Online marketing for small businesses uses tools similar to those used in other online campaigns, with the distinction that, for a hotel, the campaign is specifically tailored to the end-customer.

Online marketing and direct marketing.

For the Hotel Kager, marketing activities are internalized and comprise online advertising, leaflets, catalogues, participation in exhibitions and direct marketing. The first of these - online advertising - mainly involves using Google’s ‘AdSense’ but campaigns via Hungarian advertising channels also feature. It is, of course, not always possible for small hotel managers to be familiar with all available marketing opportunities, at the same time finding some distinctive way which will give them an edge over the competition.

To determine which marketing strategy the Hotel Kager should adopt to increase its revenue we examined the strategies adopted by the other SMEs (including hotels) in the region, hoping to be able to discern whether have an impact on their performance. Using the available survey data on SMEs in Baranya County, we focused on marketing methods and profitability in 2012. Our data set contains 798 records of SMEs in Baranya County, with 57 SMEs active in the hotel and restaurants industry.

Hypothesis H1

For the small hotels in Baranya County (South Transdanubia), there is a strong relationship between online marketing and their overall performance.
Method

The dependent variable, the retained earnings for the year 2012, positive or negative is discrete (0.1) and not continuous, and this is the reason for our using logistic regression. Using the SPSS program we conducted successive regression runs using a set of multiple independent variables such as banner, chat, link marketing, optimized search engine, guerilla, wiki, web virus campaign and online marketing.

The independent variable chosen was ‘online marketing advertisements’ which is also discrete (0.1), it takes value of 0 if there is no online marketing activity and 1 if there is. One model was found reliable for the regression:

Model 1: Predicted logit of \((Earnings2012) = \beta2*(Online marketing advertisements)\)

<table>
<thead>
<tr>
<th>Model</th>
<th>Model 1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Predictability of the model (%)</td>
<td>68.4</td>
</tr>
<tr>
<td>Chi-square/ significance</td>
<td>7.1/0.08</td>
</tr>
<tr>
<td>-2 Log likelihood</td>
<td>71.91</td>
</tr>
<tr>
<td>Cox &amp; Snell R Square</td>
<td>0.11</td>
</tr>
<tr>
<td>Nagelkerke R Square</td>
<td>0.15</td>
</tr>
<tr>
<td>Const/significance</td>
<td>-</td>
</tr>
<tr>
<td>1st variable/ p-value</td>
<td>1.15/0.01</td>
</tr>
<tr>
<td>2nd variable/ p-value</td>
<td>6.05</td>
</tr>
<tr>
<td>First variable/ Exp(B)</td>
<td>-</td>
</tr>
<tr>
<td>Second variable/ Exp(B)</td>
<td>3.16</td>
</tr>
</tbody>
</table>

Source: The authors’ own calculation

The models predict 68.4% of the responses correctly. For this model, based on the p value (p=0.08<0.05), the Chi-square value of (7.1) is significant, so we can reject the hypothesis that the model does not exist. The model, therefore, is a good fit for our proposed regression. Cox and Snell’s R-Square are pseudo R-Square indicators; they are based on ‘likelihood’, ranging from 0 to 1. For this model, the Nagelkerke’s R square value indicates that 15.7% of the variation in earnings is explained by the logistic model. The Wald statistic and associated probabilities provide an index of the significance of the predictor in the equation. In model 1 the significance of independent variable, which is the p-value, is 0.01, which is less than 0.05 and which means that we can reject the null hypothesis, which is that the online marketing predictor does make a significant contribution. Based on higher levels of Chi-Square, Cox & Snell R Square and Nagelkerke R Square, and
the Wald statistics, and the fact that the significance of the constant in model 1 is higher than accepted value, p value > 0.05, it is accepted in terms of overall model fit. In this model, for the variable online marketing, the significance (p-value) is 0.01, and so the null hypothesis that the coefficient equals 0 would be rejected. In model 1 the ‘odds ratio’ for the online marketing coefficient is 3.16 (see Table 1, exp (B) value) with a 95% confidence interval. This suggests that those hotels which employ online marketing are more than 3 times more likely to achieve positive earnings than those which do not.

Results and conclusion

Using the regression method, we determined that, among other marketing strategies, online marketing has a direct relation with earnings for SMEs and hotels. Other regional hotels’ marketing activities such as banner, chat, link marketing, optimized search engine, guerilla, wiki’s, web campaign, and virus marketing show no significant correlation with financial results. Indeed, pursuing marketing strategies based on online marketing, small hotels in the region could improve their earnings and, by implication, their overall performance.

These activities have a positive effect on the retained earnings results of SMEs in the regional tourism industry. Online marketing activities are included in this category, but others (e-commerce, banners, chat, social-networks, blogs, optimized search engines, direct marketing) are not exclusively so. Therefore, Hypothesis H1 is verified. The regression results are valid only for the Transdanubia region and should not be expanded to other regions as the results are limited to this specific range. The Hotel Kager management will also adopt blogging, advertising by banners and optimized search engine tools, such as an optimized website, adding user content etc, to increase the customer pool and increase profitability.

Increased digital footprint strategy

Even for small hotels, the most effective business card is its own website, which gives optimal customer access to the hotel in terms of general information, presentation, surroundings, location, prices, rooms, photo-gallery as well as any programmes offered. Modern websites provide daily updated content, such as blogging or news, and an online reservation system is vital for expanding the customer base. To make a reservation or availability inquiry one can or e-mail a hotel - or use a reservation system integrated into the website. Reservations at small hotels in the region could be done with or without a credit card, with or without pre-payment. Most of the small hotels in Harkány and
in Baranya County are also using an external, integration global reservation system such as Booking.com, Hotels.com or even Hungarian entities such as Szallas.hu. These intermediate sites have a worldwide digital footprint and are well known to potential customers. It is, therefore, very convenient for hotels to be recognised abroad, whereas it would be extremely costly if classic marketing tools were employed. Customers who book via these sites are usually foreigners – rarely Hungarian. If hotels wish to target foreign customers, their website should also be available in foreign languages such as English or German etc. The Hotel Kager has now adopted a policy of using multiple online reservations: via its own website, via email, and via online reservation (global or local) platforms. The information on the website can be read in Hungarian, German and partly in English. Online reservation systems also provide integration with Google maps and hotel presentations in multiple languages. The hotel's income is in direct relation with the number of customers accommodated, reinforced by the fact the most customers are aware of a hotel’s existence via the Internet, and less from leaflets or catalogues. In conclusion, there is a considerable need to increase the presence of a hotel online, either by way of its own website or through intermediary sites.

**Hypothesis H2**

The profitability of small hotels in Baranya County directly benefits from owning a foreign language website.

**Method**

To analyse the importance for hotels of having their own website, the same survey data was used as before. The analysis was computed using SPSS to assess the relationship between retained yearly earnings and owning a website in Hungarian, or owning a website in a foreign language. The dependent variable is the relative turnover figure for 2012, and the variable is discrete (0.1), given that we are interested whether the hotels did or did not record an increase in sales in the last year. Model 1 contains one predictor - owning a foreign language website, which is a discrete variable (0.1). In model 2 a second predictor is added - owning a Hungarian language website, which is also a discrete variable (0.1). Since the dependent variable is not continuous, we carry out a logistic regression.

- **Model 1:** Predicted logit of \( \text{Sales2012} = \beta^*(\text{Website foreign language}) \)
- **Model 2:** Predicted logit of \( \text{Sales2012} = \beta_1^*(\text{Website foreign language}) + \beta_2^*(\text{Website Hungarian}) \)
Table 3

<table>
<thead>
<tr>
<th>Model</th>
<th>Model 1</th>
<th>Model 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Predictability of the model (%)</td>
<td>68.6</td>
<td>68.6</td>
</tr>
<tr>
<td>Chi-square/ significance</td>
<td>7.75/0.00</td>
<td>7.89/0.01</td>
</tr>
<tr>
<td>-2 Log likelihood</td>
<td>62.94</td>
<td>62.80</td>
</tr>
<tr>
<td>Cox &amp; Snell R Square</td>
<td>0.14</td>
<td>0.14</td>
</tr>
<tr>
<td>Nagelkerke R Square</td>
<td>0.18</td>
<td>0.19</td>
</tr>
<tr>
<td>Beta of 1st variable/ p-value</td>
<td>0.52/0.01</td>
<td>0.23/0.70</td>
</tr>
<tr>
<td>Beta of 2nd variable/ p-value</td>
<td>-</td>
<td>0.45/0.09</td>
</tr>
<tr>
<td>First variable//Exp(B)</td>
<td>1.68</td>
<td>1.26</td>
</tr>
<tr>
<td>First variable//Exp(B)</td>
<td>-</td>
<td>1.57</td>
</tr>
</tbody>
</table>

Source: The authors’ own calculation

Both modes have same moderate rate of prediction accuracy, 68.6%, but based on the Wald statistics. In model 2 the “web Hungarian language” predictor has a p value higher than 0.05 which means that the null hypothesis of zero value for the variable constants cannot be rejected. For model 1 Wald statistics are significant, and the p-value of 0.01 allows us to reject the null hypothesis. Therefore, model 1 was preferred. The Nagelkerke R Square value indicates that 19% of the total variance of the dependent variable the relative increase in sales of 2012 for the hotel could be explained by the fact of owning a website in a foreign language. In model 1 the ‘odds ratio’ for the foreign language website’s coefficient is 1.68 (see Table 2, the exp (B) value) with a 95% confidence interval. This suggests that those hotels which are employing online marketing are 1.6 times more likely to experience positive (increased) sales than those without a foreign language website.

Results and conclusion

Based on the above, a relation between small hotels’ performance was detected – based on the relative sales in 2012 and ownership of a foreign language website. The Wald criterion demonstrated that only owning a website in a foreign language made a significant contribution to prediction (p =0.015). Having a website in Hungarian was not a significant predictor. Increased sales could be related to a limited extent to owning a foreign language website. The conclusion is that owning a foreign language website has a positive effect, albeit to a relatively limited degree, on the company’s performance.

In fact, hypothesis H2 - owning a website in foreign language is crucial for a hotel’s performance is proved. Besides having a website in Hungarian, the Hotel Kager is now pursuing a good strategy in hav-
ing set up a full German language website and aiming to add other languages such as English, Czech, Italian, French, Polish and Russian.

From the above, indubitable, we can conclude that the marketing strategy is a must have component in the final strategy model of the small hotels, adopting such strategy predicts overall positive performance.

**Innovation and continuous improvement strategy**

Data from the survey were analysed and a multiple regression correlation was run, although, in terms of innovation by hotels and their financial performance, no dependence relation was found between them. Of the 56 valid respondents 67.2% indicated that they had no product or service regarded as new or different by at least some of their clientele.

To the question of whether they practise continuous innovation differentiating them from others, 6 believe that they are unique on the market, 8 that few competitors engage in similar activities whilst 18 admit to being different only to a moderate extent. To summarise, this means that 57% pursue an innovation strategy which is, to some degree, greater than their competitors. However, only 8 of the 57 companies introduced some innovative product or service in 2012 - which is surprisingly low. In contrast, the Hotel Kager has a very keen vision of innovation strategy, translated into day-to-day activity. The hotel grew from 12 rooms in 2001 to 17 rooms in 2004 before becoming - in 2007 - a Wellness hotel with 35 rooms. Recognising the trend towards wellness and fitness in the tourism industry, in Hungary, the management took the decision to expand their services to offer their clients wellness, fitness, bar and restaurant services. This was well received by the market, and the Kager was at that time the only hotel in the area offering such services. In 2011, the hotel moved on further, gaining its four-star categorisation from the authorities, which means that its services are in the top bracket in Harkány. In addition to innovating, the hotel is preoccupied with maintain high quality service. Being a small hotel gives the advantage that they are very flexible, and so they are able to offer more personalised hotel services and an overall warmer experience to their guests. Clearly, small hotels should concentrate on offering high quality services and a memorable experience to their clients, ensuring that they return.

**Cost reduction strategy**

**Hypothesis H3**

For small hotels in Baranya County, among the strategies adopted, only a combination of cost reduction and proactive
strategies has a positive effect on a hotel’s economic performance.

Method

The same data set of 57 SMEs active in the hotel and restaurant industry was employed as before. The dependent variable is the relative sales increase, again as before, and the method used was logistic regression with the help of SPSS. The first set of variable consists of the type of market strategy adopted - which are basically diversification, niche and cost reduction strategies. The second set of independent variables consists of active and pro-active strategies. Combining these two sets of variable produced 6 models for analysis:

- Model 1: \( \text{Relative sales increase} = \beta_1 * \text{Cost reduction strategy} + \beta_2 * \text{Proactive strategy} \)
- Model 2: \( \text{Relative sales increase} = \beta_1 * \text{Cost reduction strategy} + \beta_2 * \text{Reactive strategy} \)
- Model 3: \( \text{Relative sales increase} = \beta_1 * \text{Niche strategy} + \beta_2 * \text{Proactive strategy} \)
- Model 4: \( \text{Relative sales increase} = \beta_1 * \text{Niche strategy} + \beta_2 * \text{Proactive strategy} \)
- Model 5: \( \text{Relative sales increase} = \beta_1 * \text{Diversification strategy} + \beta_2 * \text{Proactive strategy} \)
- Model 6: \( \text{Relative sales increase} = \beta_1 * \text{Diversification strategy} + \beta_2 * \text{Reactive strategy} \)

Table 4

<table>
<thead>
<tr>
<th>Model</th>
<th>Model 1</th>
<th>Model 2</th>
<th>Model 3</th>
<th>Model 4</th>
<th>Model 5</th>
<th>Model 6</th>
</tr>
</thead>
<tbody>
<tr>
<td>Predictability of the model (%)</td>
<td>72.2</td>
<td>72.2</td>
<td>72.2</td>
<td>72.2</td>
<td>72.2</td>
<td>72.2</td>
</tr>
<tr>
<td>Chi-square/ p-value</td>
<td>13.51/0.00</td>
<td>9.67/0.00</td>
<td>7.97/0.02</td>
<td>5.93/0.00</td>
<td>6.79/0.03</td>
<td>8.13/0.01</td>
</tr>
<tr>
<td>-2 Log likelihood</td>
<td>61.34</td>
<td>65.18</td>
<td>67.49</td>
<td>68.87</td>
<td>68.06</td>
<td>66.73</td>
</tr>
<tr>
<td>Cox &amp; Snell R Square</td>
<td>0.22</td>
<td>0.16</td>
<td>0.12</td>
<td>0.10</td>
<td>0.11</td>
<td>0.14</td>
</tr>
<tr>
<td>Nagelkerke R Square</td>
<td>0.29</td>
<td>0.21</td>
<td>0.17</td>
<td>0.14</td>
<td>0.15</td>
<td>0.18</td>
</tr>
<tr>
<td>Beta of 1st variable/ p-value</td>
<td>2.11/0.04</td>
<td>1.85/0.09</td>
<td>0.42/0.45</td>
<td>0.19/0.75</td>
<td>-0.02/0.98</td>
<td>0.85/0.15</td>
</tr>
<tr>
<td>Beta of 2nd variable/ p-value</td>
<td>0.98/0.03</td>
<td>0.66/0.3</td>
<td>0.92/0.03</td>
<td>1.15/0.07</td>
<td>1.02/0.05</td>
<td>1.21/0.03</td>
</tr>
<tr>
<td>First variable/ Exp(B)</td>
<td>8.31</td>
<td>6.41</td>
<td>1.53</td>
<td>1.21</td>
<td>0.98</td>
<td>2.34</td>
</tr>
<tr>
<td>Second variable/ Exp(B)</td>
<td>2.43</td>
<td>1.93</td>
<td>2.50</td>
<td>3.17</td>
<td>2.77</td>
<td>3.37</td>
</tr>
</tbody>
</table>

*Source: The authors’ own calculation*

Based on the Chi-Square values and p-values, which are lower than 0.05, all models are statistical significant. The coefficient of the first variable is significant in model 1 and 2 with the p values below 0.05, meaning that the cost reduction strategy is significant in *model 1* and 2.
The coefficient of the second variable is significant in model 1, 3, 4, 5 and 6, meaning that, in these models, either the proactive or the reactive strategy has an effect on the output of the model. Based on the p values for the coefficients of the first and second variables, p<0.05, we can reject the null hypothesis of zero value coefficients for both variables, only in respect of the first model. The other criterion in choosing the best model is that by only using both independent variables we can reach a higher R square value, as shown in Table 4. The highest values for the Nagelkerke coefficient are reached in model 1, and so model 1 was retained. The Nagelkerke R Square value indicates that 29% of the total variance of the dependent variable, the relative in turnover increase for the hotel in 2012, could be explained by the adoption of a combination of strategies composed of cost reduction and proactive strategies. In model 1 the ‘odds ratio’ for the cost reduction strategy is 8.31 (see Table 4, the exp (B) value) with a 95% confidence interval.

This suggests that, if we held the second variable (the proactive strategy) constant, *caeterius paribus*, those SMEs which employ a cost reduction strategy are over 8 times more likely to achieve an increase in sales than those which do not. If we held the first variable constant, having the odds ratio for the proactive strategy equal to 2.43, means that those SMEs adopting a proactive strategy are 2.4 times more likely to achieve an increase in sales that those which do not.

RESULTS AND CONCLUSIONS

The output of the logistic regression exercise conducted shows that those SMEs active in the hotel and restaurant industry in Baranya County which adopt a combination of price and cost reduction and proactive strategies more likely to increase sales than those which do not. Hypothesis H3 is, therefore, proved.

The management of the Hotel Kager is well aware of these strategies and they adopt both a proactive strategy in surveying the market, adopting plans to handle downturns which may occur and in having invested in new products and services to follow market trends. The hotel’s price and cost reduction strategy is translated into specific easily managed areas:

A. Yield management: offer room price reductions when there are rooms freely available, offer packages out-of-season or for last-minute bookings. Keep customer updated with news of the hotel by newsletters, anniversary cards and the like.

B. Strategic alliances with other SMEs in the area. The idea is based on the fact, that small hotels can cooperate in purchasing and negotiate price reductions, “en-gros”, for restaurant or bar. Building
alliances does not necessarily require financial investment, and at the end of the day, it will provide market leverage and synergies. Another objective of such alliances could be the national and international promotion of the Harkány Spa and Hospital.

C. Continuous pursuit of long-term development projects such as alternative energy, green marketing and cost reduction.

D. Outsourcing: supporting functions such as accounting, technical support for information technology tools and systems, maintenance of wellness installations, restaurant and bar facilities, massage and beauty services and gardening. In summer, hotels can offer practice opportunities and part-time employment to students of the local university (in this case, Harkány).

E. Continuous monitoring of hotel performance; it is well known that SMEs display characteristics distinct from those of larger companies, and performance measurement tools are not easy to use on a regular basis. The Kager Hotel uses BSC (Balanced Score Card) “dashboard” practice to have a comprehensive picture of the hotel’s performance. BSC reviews the financial, investment, hotel operation, quality of service, personnel and efficiency-related indicators which are basically deduced form the strategy adopted. Based on these indicators, and on a weekly basis, management can take action in areas which have slipped outside their target limits and can follow these. BSC data is held in a simple Excel file which also allows information to be recorded on budgets, resources and cash-flows.

CONCLUSION

It is understandable that the owners or managers of SMEs – especially in peripheral regions – should lack confidence, or be somewhat hesitant about handling their businesses by making use of management techniques and tools normally associated with major industry. The word ‘strategy’ may well have a strongly deterrent effect. In our paper, however, we have attempted to show that, as a general reaction, such hesitation is quite unjustified. There may, indeed, be management areas where size matters – e.g., in certain HRM issues – but there are probably more where basic strategy can be profitably applied to the widest range of enterprises from micro- to large.

The area selected was, in geographical terms, the peripheral region of South Transdanubia, and the category of enterprise on which we focused was the SME – and then at no higher than mid-level. The sector selected was that of tourism (most important for the area), and the case study related to a small hotel. In short, we believe that we suc-
ceeded in selecting a very appropriate target for our hypotheses, and, in fact, we offered three:

In the first we considered the relationship between small hotels in the area and online marketing - from the standpoint that use of the internet showed clear advantages and improved overall performance. The second developed the theme by examining the likely effects of investment by the enterprise in its own foreign language website - again from the standpoint that this would be a well justified, profitable investment. Our third hypothesis contended that such businesses also needed to apply a rational price- and cost-reduction strategy in addition to such pro-active strategies if they were to maximise their profitability. To achieve this more securely, we recommended cooperative action by enterprises in the sector and in the region. This may not be a natural feature of Hungarian culture, but we do consider that the advantages are too obvious to ignore.

To examine all of these hypotheses we applied appropriate statistical analysis methods, and we were able to affirm that all three were sound and proved.

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STRAteGY for SMALL hoTeLS


DETERMINING DESTINATION QUALITY FROM THE SECOND HOME OWNERS’ POINT OF VIEW:
THE CASE OF ALANYA

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Kemal Kantarci
Akdeniz University, Turkey

ABSTRACT: The aim of this study is to see destination quality of Alanya from the point of view of second home owners who live in this region. A questionnaire was designed in order to collect data. In the questionnaire under three main groups namely socio-cultural, economic and environmental, 37 statements such as infrastructure, traffic system, social activities, health-care, city atmosphere, safety and security, human relations, climate, natural beauties and cost of living were asked to participants. Besides, the second home owners’ level of being happy in Alanya and level of recommendation of living in or visiting Alanya to others were also sought. ANOVA, t-test and Factor analysis were used in the study. According to findings, it was seen that second home owners are quite happy to live in Alanya. While climate and natural beauties have the highest ranking that second home owners love the most, bureaucracy, fair prices for locals and expats and traffic system have the lowest rank. Besides, female second home owners were found to be more happy than male ones in the destination. Keywords: Second Home Tourism, Destination Quality, Alanya.

*This research based on a master thesis which was carried out in Social Science Institute, Akdeniz University.

INTRODUCTION

Nowadays, tourism is an important industry around the world since it creates employment, increases foreign exchange and causes social developments. Especially economic return of tourism has led countries to invest in tourism infrastructure to get more visitors and benefits (Uysal et al. 2012: 1). Recent statistics of World Tourism Organization (2014) has shown that international tourist arrivals worldwide exceeded 1,087 million in 2013 and is expected to be 1.8 billion in the year of 2030.

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Depending on recent development of tourism sector, rivalry between tourism destinations has been increasing in order to get more revenue. To raise awareness, destinations have been conducting marketing and advertising applications, creating alternative tourism activities and new tourism attractions and, increasing destination quality.

The purpose of this research is to find out destination quality of Alanya from the point of view of second home owners who live in the region. Alanya is an important summer resort for Turkish tourism and gets approximately 2 million visitors yearly, also it hosts over 15,000 second home owners in the region that are mainly from North Europe. Since local life and tourism life engaged in the region, investments which aim to raise the tourism quality can effect local life as well. Findings of this research will indicate Alanya’s destination quality with a different aspect.

**Destination Concept**

According to WTO (2007: 1) tourism destination is defined as a physical space where tourists spend at least one overnight and it includes tourism products such as support services, attractions and tourists resources. Destinations are perceived as a whole by visitors and visitor's perceptions on a destination are shaped by different factors such as hotels, restaurants, transportation facilities, superstructure and infrastructure, culture and recreational activities (Crouch, 2007: 1). Buhalis (2000: 101) classified destinations under 6 different groups, namely; Urban, Seaside, Alpine, Rural, Authentic third world and Unique-Exotic-Exclusive.

<table>
<thead>
<tr>
<th>Table 1. Classification of Destinations</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Type of Destination</strong></td>
</tr>
<tr>
<td>Urban</td>
</tr>
<tr>
<td>Seaside</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>Alpine</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>Rural</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>Authentic third World</td>
</tr>
<tr>
<td>Unique-exotic-exclusive</td>
</tr>
</tbody>
</table>

*Source: Buhalis, 2000: 101*
Destination types, customer profiles and activities are shown in the table 1.

Buhalis (2000: 98) stated that destinations may have six different specialties, namely:

- **Attractions:** Natural, man-made, artificial, purpose built, heritage, special events,
- **Accessibility:** Entire transportation system comprising of routes, terminals and vehicles,
- **Amenities:** Accommodation and catering facilities, retailing, other tourist services,
- **Available Packages:** Pre-arranged packages by intermediaries and principals,
- **Activities:** All activities available at the destination and what consumers will do during their visit,
- **Ancillary Services:** Services used by tourists such as banks, telecommunications, post newagents, hospitals etc.

There has been conducted some research in order to determine destination quality of countries or cities. According to Yale University’s study on environmental quality of countries, Switzerland gained the top spot out of 178 countries. In the research, different factors were examined to rank countries such as air quality, water resources, climate, energy, forests, fisheries and agriculture. Switzerland is followed by Luxemburg, Australia and Singapore (Yale University Environmental Performance Index, 2014). The international consulting firm, Mercer, released a quality of living survey, comparing 221 cities based on 39 different criteria including politic and economic stability, safety, education, culture, environment, recreation, transportation and health care. Vienna, the capital of Austria, won the title as the highest ranked city, followed by Zurich and Auckland. According to another survey from the same firm, Singapur was selected the best city, based on its performance of electricity, water availability, telephone, mail, public transport and traffic congestion. Frankfurt, Munich and Copenhagen were ranked on the top of the list as well. (Mercer Survey- 2012 Quality of Living Worldwide City Rankings, 2013). Another study on the most livable cities was carried out by the Economist. According to research results, Melbourne was selected the most livable city in the world by its performance on stability, healthcare, culture and environment, education and infrastructure. It is followed by Vienna, Vancouver and Toronto (The Economist, Global Livability Survey, 2013).

**Second Home Tourism**

The second home notion includes vacation homes, seasonal homes, weekend homes, summer homes, cottages, retirement homes and rec-
reational homes (Roca et al., 2009: 3). Second homes can be used for short breaks as well as long summer holidays and future retirement homes (Müller, 2002a: 69). After some years, second home owners may consider themselves as a part of host community and feel familiar with local traditions, the environment and the people of host community (Müller, 2002b: 429). Rapid growth in international mass tourism after the 1950s increased knowledge and experience of other countries. Return, repeat holidays led to seasonal or permanent emigration, often via the purchase of a holiday home (Williams et al., 2000: 31). In the present day, second homes became a part of tourism and travel industry and are very important for international tourism market around the world (Hall and Müller, 2004: 3).

Table 2. Second Home Relative Space-Time Characteristic

<table>
<thead>
<tr>
<th>Second Home function</th>
<th>Frequency of visit</th>
<th>Length of visit</th>
<th>Form of mobility</th>
<th>Location relative to primary residence</th>
</tr>
</thead>
<tbody>
<tr>
<td>Weekend home</td>
<td>High</td>
<td>Short</td>
<td>Circulation</td>
<td>Dependent</td>
</tr>
<tr>
<td>Vacation Home</td>
<td>Low</td>
<td>Long</td>
<td>Seasonal migration</td>
<td>Independent</td>
</tr>
<tr>
<td>Future Permanent Home</td>
<td>Decreasing</td>
<td>Increasing</td>
<td>Migration</td>
<td>Independent</td>
</tr>
</tbody>
</table>

Source: Müller 2002a

As seen in table 2, frequency and length of visit vary according to function of second homes. Besides, length of visit shapes the form of mobility.

Second home tourism causes a different social and economic development than other forms of tourism since it mostly requires purchasing of property in the destination. Second homes provide economic benefits to the importing region, through the purchase price of the property, spending on renovation and maintenance, increased tax incomes and spending on food, leisure and other services. Furthermore, second home owners are paving the way for destination promotion and marketing by word of mouth. On the other hand, second homes may cause a series of problems such as lack of sustainable development of a destination, increasing land and property prices, threatening the authentic character of local region by means of overbuilding and cultural erosion (Brida et al. 2011, 142-143).

Second home owners may have different motivating factors on choosing the destination. It can said that, climate and cheap living conditions are the main reasons for Northern Europeans to move to the South Europa (Diaz et al. 2004, 354). According to Warnes and Petterson’s (1998) study on British who settled in Malta, cli-
mate was the main motivating factor on decision making. Rodríguez et al. (1998) stated that Costa Del Sol region of Spain, was a preferred choice of foreigners because of its climate, economic condition and Spanish culture. South Asian countries such as Singapore, Thailand and Malaysia has been an attractive place for second home ownership with the help of health tourism implementations since 1990s (Chee, 2007: 4). Recently, Americans’ settling in Mexico after their retirement is also becoming popular since living conditions and healthcare are cheaper in Mexico (Methvin, 2009: 9). According to Balkırın and Kırkulak’s (2007) research on second home owners in Antalya, Turkey, climate, social relations and living condition were found to be the main reasons for second home owners to move in this area.

METHODOLOGY AND FINDINGS

Methodology

Survey methods were used to collect data with the survey instrument consisted of three sections, (i) demographic information, (ii) socio-cultural, economic and environmental statements on Alanya, (iii) overall thoughts on Alanya. The survey was developed by researcher himself which were 5-point likert scale format. While developing the survey, the researcher utilized related studies of following authors; Kim K, (2002), Berli, A. and Martin, J. (2004), Laura, W. (2010) and Andereck, K. and Nyaupane, G. (2011). The target population of this study was second home owners who live in the Alanya district. Firstly, the survey was pilot tested on a sample of 50 second home owners who had already lived in the region with average of 4.3 years, between October-December 2012. This means, the sample group were already familiar with the destination in terms of giving dependable responses. Cronbach’s Alpha score of the pilot survey was found (.91) that shows a high reliability. For main research, a total of 650 survey were delivered to second home owners between February and June 2013 by using different methods of distributions such as participating in official meetings of foreigners, contact with heads of foreign communities or asking friends who knew foreigners personally. As a result, a total of 386 usable responses were received, giving a response rate of 60 per cent. First of all, a reliability test was carried out using SPSS, and Cronbach’s Alpha value for socio-cultural, economic and environmental statements scored (.90) which means a high reliability.
Findings

Demographic findings indicated that the majority of respondents were females (69.2%), married (61.9%), age category is 61 and above (40.7%), British (18.4%), university degree holders (44.0%), staying in own house (66.8%), duration of living in Alanya one to three years (27.7%), spending 10 to 12 months in Alanya yearly (47.6%), spending time with both Turkish and other foreigners (73.3%) and not working in Alanya (76.9%).

Table 3. Demographic Profile

<table>
<thead>
<tr>
<th>Variable</th>
<th>F*</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Female</td>
<td>267</td>
<td>69.2</td>
</tr>
<tr>
<td>Male</td>
<td>117</td>
<td>30.3</td>
</tr>
<tr>
<td>Age</td>
<td></td>
<td></td>
</tr>
<tr>
<td>61 and above</td>
<td>157</td>
<td>40.7</td>
</tr>
<tr>
<td>46-60</td>
<td>102</td>
<td>26.4</td>
</tr>
<tr>
<td>18-35</td>
<td>61</td>
<td>15.8</td>
</tr>
<tr>
<td>36-45</td>
<td>52</td>
<td>13.5</td>
</tr>
<tr>
<td>Nationality</td>
<td></td>
<td></td>
</tr>
<tr>
<td>British</td>
<td>71</td>
<td>18.4</td>
</tr>
<tr>
<td>Russian</td>
<td>70</td>
<td>18.1</td>
</tr>
<tr>
<td>German</td>
<td>61</td>
<td>15.8</td>
</tr>
<tr>
<td>Norwegian</td>
<td>61</td>
<td>15.8</td>
</tr>
<tr>
<td>Finnish</td>
<td>52</td>
<td>13.5</td>
</tr>
<tr>
<td>Dutch</td>
<td>46</td>
<td>11.9</td>
</tr>
<tr>
<td>Other</td>
<td>25</td>
<td>6.5</td>
</tr>
<tr>
<td>Marital Status</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Married</td>
<td>239</td>
<td>61.9</td>
</tr>
<tr>
<td>Single</td>
<td>77</td>
<td>19.9</td>
</tr>
<tr>
<td>Other</td>
<td>58</td>
<td>15.0</td>
</tr>
<tr>
<td>Education</td>
<td></td>
<td></td>
</tr>
<tr>
<td>University</td>
<td>170</td>
<td>44.0</td>
</tr>
<tr>
<td>High School</td>
<td>154</td>
<td>39.9</td>
</tr>
<tr>
<td>Primary School</td>
<td>39</td>
<td>10.1</td>
</tr>
<tr>
<td>Post Graduate</td>
<td>21</td>
<td>5.4</td>
</tr>
<tr>
<td>Having Turkish spouse</td>
<td></td>
<td></td>
</tr>
<tr>
<td>No</td>
<td>276</td>
<td>71.5</td>
</tr>
<tr>
<td>Yes</td>
<td>92</td>
<td>23.8</td>
</tr>
<tr>
<td>Years Spent in Alanya</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1-3 years</td>
<td>107</td>
<td>27.7</td>
</tr>
<tr>
<td>4-6 years</td>
<td>92</td>
<td>23.8</td>
</tr>
<tr>
<td>10 years and above</td>
<td>70</td>
<td>18.1</td>
</tr>
<tr>
<td>7-9 years</td>
<td>62</td>
<td>16.1</td>
</tr>
<tr>
<td>Less than a year</td>
<td>47</td>
<td>12.2</td>
</tr>
</tbody>
</table>
In the survey, there were 37 statements which are related to destination quality of Alanya. Statements were offered as 5 point Likert, 1-very unsatisfactory, 2-unsatisfactory, 3-neutral, 4-satisfactory, 5-very satisfactory.

Table 4. Means and St. Deviations of Statements

<table>
<thead>
<tr>
<th>Statements</th>
<th>F*</th>
<th>Mean</th>
<th>St. D.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Climate</td>
<td>380</td>
<td>4.48</td>
<td>0.60</td>
</tr>
<tr>
<td>2. Natural beauties</td>
<td>383</td>
<td>4.40</td>
<td>0.71</td>
</tr>
<tr>
<td>3. Number of restaurant</td>
<td>374</td>
<td>4.20</td>
<td>0.84</td>
</tr>
<tr>
<td>4. Number of shopping facilities</td>
<td>379</td>
<td>4.06</td>
<td>0.84</td>
</tr>
<tr>
<td>5. Number of parks and green fields</td>
<td>382</td>
<td>4.01</td>
<td>0.99</td>
</tr>
<tr>
<td>6. Number of health care services</td>
<td>379</td>
<td>3.95</td>
<td>0.75</td>
</tr>
<tr>
<td>7. Attitude and approach of locals</td>
<td>383</td>
<td>3.95</td>
<td>0.82</td>
</tr>
<tr>
<td>8. Quality of air</td>
<td>386</td>
<td>3.91</td>
<td>0.86</td>
</tr>
<tr>
<td>9. Variety of restaurants</td>
<td>384</td>
<td>3.89</td>
<td>0.86</td>
</tr>
<tr>
<td>10. Quality of health care services</td>
<td>376</td>
<td>3.84</td>
<td>0.80</td>
</tr>
<tr>
<td>11. Night life attractions</td>
<td>378</td>
<td>3.81</td>
<td>0.80</td>
</tr>
<tr>
<td>12. Quality of shopping facilities</td>
<td>381</td>
<td>3.71</td>
<td>0.88</td>
</tr>
<tr>
<td>13. Public transportation facilities</td>
<td>385</td>
<td>3.69</td>
<td>1.08</td>
</tr>
<tr>
<td>14. Quality of restaurants</td>
<td>376</td>
<td>3.68</td>
<td>0.79</td>
</tr>
<tr>
<td>15. Appearance of physical environment</td>
<td>377</td>
<td>3.67</td>
<td>0.87</td>
</tr>
<tr>
<td>16. Security and safety</td>
<td>381</td>
<td>3.64</td>
<td>0.89</td>
</tr>
<tr>
<td>17. Quality of beaches</td>
<td>386</td>
<td>3.63</td>
<td>0.99</td>
</tr>
<tr>
<td>18. Quality of sea water</td>
<td>381</td>
<td>3.63</td>
<td>0.96</td>
</tr>
</tbody>
</table>

Note: * may not add up to the total number of respondents due to missing data.
Mean ranges of the 33 statements were either from neutral (3) to satisfactory (4) or from satisfactory (4) to very satisfactory (5). Only 4 statement had means below 3. Climate ranked first among 37 statements with its 4.48 mean. This result is compatible with former researches on second home owners and it supports the idea of climate is the most important thing for second home owners. Climate was followed by natural attractions with its 4.40 mean, number of restaurant (4.20), shopping facilities (4.06) and, number of parks and green fields (4.01). Since Alanya is visited by 2 million tourists yearly, the mean of number of restaurant and shopping facilities can be explaind by touristic side of Alanya. On the other hand, while the mean of number of restaurant was 4.20, mean of quality of restaurant was only 3.68. This shows that there are some quality problems regarding restaurants in Alanya and not only quantity, but also quality should be improved. Although Alanya destination leans on sea-sun-sand tourism, quality of beaches and quality of sea water were both found below satisfactory with their 3.63 means by respondents. This result is very important for the future of Alanya as a tourism destination.
The statement of ‘the way that bureaucracy works’ had the lowest mean with 2.27. This result shows that second home owners are having difficulties with formal procedures in Alanya and not satisfied with how it works. Second lowest mean belongs to statement of fair price for locals and foreigners with 2.51. This may be considered as an outcome of being a resort city. Number of places for religious practice was another statement that has low mean with 2.86. According to this, it can be said that local authorities should develop more places for second home owners’ religious practices, especially when it is considered there are over ten thousand second home owners in Alanya destination.

Apart from socio-cultural, economical and environmental statements, 4 different statements were asked to evaluate respondents’ general thoughts on Alanya. The satements were asked as 5 point likert, 1-strongly disagree, 2-disagree, 3-neutral, 4-agree and 5-strongly agree.

<table>
<thead>
<tr>
<th>Statements</th>
<th>F*</th>
<th>Mean</th>
<th>St. D.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. I would like to visit Alanya if i move back to my home country</td>
<td>376</td>
<td>4.39</td>
<td>0.69</td>
</tr>
<tr>
<td>2. I recommend my friends and others to visit Alanya</td>
<td>386</td>
<td>4.38</td>
<td>0.62</td>
</tr>
<tr>
<td>3. I am happy to live in Alanya</td>
<td>386</td>
<td>4.32</td>
<td>0.60</td>
</tr>
<tr>
<td>4. I recommend my friends and others to live in Alanya</td>
<td>382</td>
<td>3.92</td>
<td>0.87</td>
</tr>
</tbody>
</table>

Note: * may not add up to the total number of respondents due to missing data.

Results show that respondents were very happy to live Alanya. The statement of “I am happy to live in Alanya” had 4.32 point which means that even though second home owners have some negative thoughts on Alanya, these do not effect their being happy in the destination. Besides, revisit intention of respondents were also pretty high which shows the loyalty of those. On the other hand, although tendency of recommendation to visit Alanya had a high rate, tendency of recommendation to live in Alanya was less.

The thirty-seven social, economic and environmental statements on Alanya were factor analyzed utilizing principle components with varimax rotation. The overall significant of the correlation matrix was .000 with Bartlet test of sphericity value of 595. It was found that there was a significant correlation between the variables. The Kaiser-Meyer-Olkin value was .802 which means the data was suitable for the factor analysis. Scree Plot chart showed that the items could gather under six different factor groups at the first attempt of performing factor analysis. Therefore factor analysis reapplied by using the fixed number of factors and 6 factor solutions were identified, representing 53.7% of the total variance. Ten statements out of thirty-seven were excluded from the analysis because of the low reliability or contradiction.
Table 6. Factor Analysis

<table>
<thead>
<tr>
<th>Factor 1: City infrastructure</th>
<th>Factor loading</th>
<th>Eigen value</th>
<th>Explained variance</th>
<th>Reliability</th>
<th>Mean</th>
<th>St. D.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quality of sidewalks</td>
<td>.782</td>
<td>8.002</td>
<td>22.863%</td>
<td>0.782</td>
<td>3.15</td>
<td>0.86</td>
</tr>
<tr>
<td>Traffic system</td>
<td>.753</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Quality of roads</td>
<td>.701</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Infrastructure quality</td>
<td>.543</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cleanliness of local environment</td>
<td>.523</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Factor 2: Natural attractions</th>
<th>Factor loading</th>
<th>Eigen value</th>
<th>Explained variance</th>
<th>Reliability</th>
<th>Mean</th>
<th>St. D.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Natural beauties</td>
<td>.771</td>
<td>2.712</td>
<td>7.748%</td>
<td>0.748</td>
<td>4.08</td>
<td>0.60</td>
</tr>
<tr>
<td>Climate</td>
<td>.734</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Quality of air</td>
<td>.648</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of parks and green fields</td>
<td>.636</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Quality of beaches</td>
<td>.513</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Factor 3: Social and cultural events</th>
<th>Factor loading</th>
<th>Eigen value</th>
<th>Explained variance</th>
<th>Reliability</th>
<th>Mean</th>
<th>St. D.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of museums</td>
<td>.771</td>
<td>2.443</td>
<td>6.979%</td>
<td>0.738</td>
<td>3.13</td>
<td>0.73</td>
</tr>
<tr>
<td>Number of social and cultural activities</td>
<td>.708</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of live sport activities</td>
<td>.670</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of places for religious practice</td>
<td>.593</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Factor 4: Price</th>
<th>Factor loading</th>
<th>Eigen value</th>
<th>Explained variance</th>
<th>Reliability</th>
<th>Mean</th>
<th>St. D.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Goods and services price</td>
<td>.836</td>
<td>2.244</td>
<td>6.412%</td>
<td>0.811</td>
<td>3.08</td>
<td>0.77</td>
</tr>
<tr>
<td>Prices in general</td>
<td>.836</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Housing-real estate price</td>
<td>.676</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fair price for locals and foreigners</td>
<td>.586</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Factor 5: Shopping and F&amp;B</th>
<th>Factor loading</th>
<th>Eigen value</th>
<th>Explained variance</th>
<th>Reliability</th>
<th>Mean</th>
<th>St. D.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of shopping facilities</td>
<td>.701</td>
<td>1.810</td>
<td>5.173%</td>
<td>0.705</td>
<td>3.90</td>
<td>0.56</td>
</tr>
<tr>
<td>Variety of restaurants</td>
<td>.682</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Quality of shopping facilities</td>
<td>.618</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of restaurants</td>
<td>.598</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Quality of restaurants</td>
<td>.552</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Factor 6: Human relations</th>
<th>Factor loading</th>
<th>Eigen value</th>
<th>Explained variance</th>
<th>Reliability</th>
<th>Mean</th>
<th>St. D.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attitude and approach of second home owners</td>
<td>.765</td>
<td>1.599</td>
<td>4.568%</td>
<td>0.727</td>
<td>3.60</td>
<td>0.61</td>
</tr>
<tr>
<td>Attitude and approach of locals</td>
<td>.641</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Attitude and approach of workers</td>
<td>.592</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Attitude and approach of tourists</td>
<td>.566</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Total variance explained 53.743%

Note: Sociocultural, economic and environmental statements: 1: very unsatisfactory and 5: very satisfactory
Extraction method: principal component analysis
Rotation method: Varimax with Kaiser normalization
Kaiser-Meyer-Olkin = .802; Bartlett's Test of Sphericity, p = .000
First factor includes the items which are related to physical and environmental infrastructure of the city, so that it named *City Infrastructure* and explained the highest percentage of the total variance (22.8%). Second factor consists of natural and environmental characteristics of the city. It named *Natural Attractions* and explained the second highest percentage (7.7%). Third factor contains social and cultural activities in the destination, that’s why it named *Social and Cultural Events* and explained (6.9%) of the total variance. Fourth factor is about fiscal side of the city so that it named *Price* and explained (6.4%) of the total variance. Fifth factor is about quality and quantity of the city’s shopping and F&B services and it named *Shopping and F&B* and explained (5.1%) of the total variance. Sixth factor consists the items that show relationships between stakeholders in the destination so that it named human relations and explained (4.5%) of the total variance.

### Table 7. Level of Being Happy According to Gender

<table>
<thead>
<tr>
<th>Gender</th>
<th>F</th>
<th>Mean</th>
<th>St.D.</th>
<th>t</th>
<th>p</th>
</tr>
</thead>
<tbody>
<tr>
<td>Female</td>
<td>267</td>
<td>4.37</td>
<td>0.61</td>
<td>2.573</td>
<td>0.011</td>
</tr>
<tr>
<td>Male</td>
<td>117</td>
<td>4.20</td>
<td>0.56</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*p=0.011 < 0.050*

In order to see if there is any significant difference between genders, one sample t test was performed. According to t test analysis, significant difference was found between the genders’ level of being happy in Alanya. It is seen that female respondents (F= 267, mean= 4.37) were happier than male respondents (F=117, mean=4.20).

### Table 8. Level of Being Happy According To Age

<table>
<thead>
<tr>
<th>Age</th>
<th>F</th>
<th>Mean</th>
<th>St.D.</th>
<th>F</th>
<th>p</th>
</tr>
</thead>
<tbody>
<tr>
<td>18-35</td>
<td>61</td>
<td>4.50</td>
<td>0.56</td>
<td></td>
<td></td>
</tr>
<tr>
<td>61 and above</td>
<td>157</td>
<td>4.33</td>
<td>0.65</td>
<td></td>
<td></td>
</tr>
<tr>
<td>36-45</td>
<td>52</td>
<td>4.09</td>
<td>0.63</td>
<td>4,481</td>
<td>0.004</td>
</tr>
<tr>
<td>46-60</td>
<td>102</td>
<td>4.30</td>
<td>0.50</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>372</td>
<td>4.32</td>
<td>0.60</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*p=0.004 < 0.050  (F=4,481; p=0.004)*

As the age groups were normally distributed, a one-way ANOVA test was performed to find out if there is any significant difference between age groups relevant to level of being happy in Alanya destination. ANOVA analysis (followed post hoc – scheffe steps) showed that there are significant difference between the age groups regarding level of being happy in Alanya. According to findings, age group 18-
35 (F=61, mean=4.50) feels happier to live in Alanya than age group 36-45 (F=52, mean=4.09).

Table 9. Level of Being Happy According to Nationalities

<table>
<thead>
<tr>
<th>Nationality</th>
<th>F</th>
<th>Mean</th>
<th>St.D.</th>
<th>F</th>
<th>p</th>
</tr>
</thead>
<tbody>
<tr>
<td>Norwegian</td>
<td>61</td>
<td>4.54</td>
<td>0.59</td>
<td></td>
<td></td>
</tr>
<tr>
<td>British</td>
<td>71</td>
<td>4.46</td>
<td>0.55</td>
<td></td>
<td></td>
</tr>
<tr>
<td>German</td>
<td>61</td>
<td>4.37</td>
<td>0.58</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>25</td>
<td>4.36</td>
<td>0.56</td>
<td>6,077</td>
<td>0,000</td>
</tr>
<tr>
<td>Russian</td>
<td>70</td>
<td>4.28</td>
<td>0.54</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Finnish</td>
<td>52</td>
<td>4.15</td>
<td>0.60</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dutch</td>
<td>46</td>
<td>3.95</td>
<td>0.63</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>386</td>
<td>4.32</td>
<td>0.60</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

p=0.000 < 0.050 (F=6,077; p=0.000)

According to ANOVA analysis (followed post hoc – scheffe steps) which is aimed to show differences between nationalities’ level of being happy, Norwegians (F=61, mean=4.54), British (F=71, mean=4.46) and Germans (F=71, mean=4.37) are happier to live in Alanya than Dutch (F=46, mean=3.95).

DISCUSSION AND CONCLUSIONS

This study attempted to examine destination quality of Alanya by second home owners’ thought. Alanya has been hosted second home owners since early 1990s and nowadays they are part of the daily life in the destination. To determine destination quality and to see positive and negative aspects are crucial for the destination future. These results may guide the local authorities to plan next steps in order to rise the destination quality.

According to results, climate was found the most important feature of Alanya destination. Besides, natural beauties and park and green fields were also found above satisfactory. These outcomes show that natural attractions are the strongest side of Alanya destination. Yet another result has showed that most of the second home owners were above 60 years old. At this point, it is of utmost importance to have enough number of high quality health care. According to another result, while the number of shopping facilities were found satisfactory, the quality of them was found below satisfactory which means that not only quantity but also quality of shopping facilities should be improved. One of the main problem
in the destination was found the fair prices for locals and foreigners. This negative opinion may cause difficulties to feel part of the local life for second home owners. Fair price can be considered as a problem of all resorts cities. Yet, local authorities and decision makers should take action regarding to find a solution. Another negative idea on Alanya destination was lack of the number of places for religious practice. Although there are some places for religious practice in the region, this seem not satisfactory and should be increased. All in all, results indicated that second home owners were happy to live in Alanya destination. Also, they have a tendency to visit the region, if they go back to their homeland in the future. This may seen as destination loyalty. Furthermore, the tendency of recommendation to visit the region to friends were also found high which means word of mouth marketing.

Alanya is an important destination in Mediterranean region where local life and tourism life are in close touch. As a result of being that close, there are intensive and mutual interactions in the region. Considering the findings of this research may help improvement of Alanya destination quality which will be useful for both locals and tourists.

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Yale University, Environmental Performance Index, Retrieved: 25.01.2014
THE IMAGE OF POLAND AS A TOURIST DESTINATION

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Warsaw School of Economics, Poland

ABSTRACT: The paper presents the results of a primary data analysis examining the tourists’ perceptions of Poland as a tourist destination. The researcher analyzed the data collected in 2013 regarding tourists’ satisfaction with the package holidays in Poland. The aim of the research study was to analyze the tourists’ opinions concerning the most important destination attributes crucial for travelers. Poland is not perceived as a typical tourist destination, however, due to the investments in tourist infrastructure, its cultural heritage and other changes related to the accession to the European Union, Poland has become the country which offers many opportunities for business and individual travelers. Given the observed changes, it was hypothesized that Poland is perceived as an attractive tourist destination by visitors, but it is not promoted sufficiently in foreign markets. The surveyed sample of tourists spent their holiday on the coach tours in Poland with the programs including the major Polish cities and the most important tourist attractions. The total sample volume was 463 travelers. The paper presents the results of the quantitative analysis focused on the tourists’ evaluations of the distinguished tourism product attributes and qualitative analysis examining tourists comments regarding their perceptions of Poland as a tourist destination. The conclusions of the study are concerned with the recommendations regarding the communications message and communications channels that should be used in order to achieve a higher awareness of Poland as a tourist destination. Keywords: destination image, image attributes, package holiday services, product quality perception

INTRODUCTION

Competition among tourist destinations has become more intense over last years. Investments in tourism infrastructure, development of the new tourist attractions and products, introducing new tourist destinations, development of the promotional programs aimed at building the desired image of destinations as well as intensifying price competition among tour operators and other tourist services providers are the characteristic features of the today’s tourism market. Thus, tour operators are challenged with the constant need to adjust market offering to more and more sophisticated needs and wishes of customers. Considering the impact of the country’s tourist destination image on travelers’ decisions, tour operators in less popular tourist destinations face more severe competition.

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Poland is not perceived as a typical tourist destination, however, due to the investments in tourist infrastructure, its cultural heritage and other changes related to the accession to the European Union, Poland has become the country which offers many opportunities for business and individual travelers. But, the perceptions of Poland as a traditional and agricultural country, connotations with World War II, concentration camps, and Eastern Block have an impact on the image of Poland as a tourist destination. The change of the image and attracting more tourists requires much more effort put in the promotional activities adapted to the various markets.

The paper presents the results of a quantitative analysis and a qualitative analysis examining tourists perceptions of Poland as a tourist destination. The aim of the analysis was to identify the distinct associations with Poland that differentiate it from other tourist destinations and make it a unique country to travel, visit, and experience. Another important goal of this analysis was to investigate tourists opinions on the possible ways to improve the promotional activities aimed at promoting Poland as a tourist destination. The implications of the research findings are discussed with regard to destination marketing organizations, tour operators and other tourist services providers.

**Promoting tourist destination image**

Before tourists go to a destination they develop the image and a set of expectations based on previous experience, word of mouth, common beliefs, advertising, and other means of communications (Chon, 1992; Baloglu and Brignmerg, 1999). Destination image is formed by gathering information about destination from various sources over time (Leisen, 2001). Thus, the image of a destination can be defined as the individual perceptions of the characteristics of destinations (Coshall, 2000), including the environmental attributes as well as service attributes, that can be influenced by various factors.

Destination image has direct impact on travel behavior and plays a crucial role in the selection of vacation destinations (Bigne et al, 2001, Bonn at al, 2005), since usually tourists choose destinations with the most favorable image (Gartner, 1993). Moreover, destination image can contribute to forming destination brand, which may have an impact on customer loyalty to a destination. (Tasci and Kozak, 2006). Taking into account those issues, it is important to develop a communications strategy aimed at creating a favorable image of a destination. Thus, it is necessary to identify the destination attributes important for specific target audiences as well as the points of differentiation.

Since tourists have numerous destination choices, a destination should be very specific about the benefits it offers and the tourism
market should be carefully segmented in order to adjust the marketing activities to various target audiences and attract the right customers (Morgan at al, 2004). Due to the complicated and complex character of destinations, developing and sustaining a place brand requires specific marketing solutions. Destination marketing activities are generally performed by the destination marketing organizations along with other entities concerned with tourism and regional development.

Typically, there are three fundamental levels at which destination marketing organizations function. At the country level, the organization is usually referred to as the National Tourism Organization responsible for marketing a country as a tourism destination. At the state or provincial level, the organization may be referred to as the State Tourism Office or the Provincial Department of Tourism with overall responsibility for marketing a state, province or territory. At the regional level, the organization is commonly identified as a Convention and Visitor Bureau which is in charge of marketing a concentrated tourism area as a tourism destination (Pike, 2008).

Positioning a destination in the minds of a target group lies within the responsibilities of destination marketing organizations and is crucial for the overall success of the communications strategy. Furthermore, the appropriate market positioning strategy aimed at emphasizing the unique destination attributes enables to find competitive advantage and distinguish a tourism destination from other destinations (Ibrahim and Gil, 2005). Developing a positioning strategy for tourism destinations is a long and complex process that implies multiple steps: identifying the attributes that are valuable to a target group, correlating specific attributes with segmentation variables within the target group, positioning the destination benefits to support an existing image or create a new one, and communicating those benefits to the target group.

The traditional approach to destination positioning is based on promoting the most attractive destination attributes to a target group of customers, however, more recent approaches suggest considering tourists’ expectations, needs and preferences regarding tourist destinations as well as their satisfaction with the tourism products’ attributes as crucial for the identification of the unique destination attributes. (Ibrahim and Gil, 2005).

Therefore, destination marketing organizations should consider the existing image of a destination, customers’ needs and preferences, and customers’ satisfaction with the tourism products while designing a communications strategy aimed at creating a favorable image of the destination and attracting foreign visitors. Moreover, it is necessary to adjust the communications message and tools to the specific character and preferences of target customers. Since destination images held by tour operators and travel agents are important for the tourism desti-
nation and information system (Baloglou at al, 2001), the communications strategy should be also directed at tourism product distributors.

There were numerous research studies regarding positioning of destination image. Baloglu and Brinberg (1997) were the first to publish research on affective reactions to destinations explicitly adopting the circumplex model. Then, other researchers published studies on cognitive and affective images of destinations, asking respondents to rate the affective image on the two dimensions of affect (Beerli and Martin, 2004; Pike and Ryan, 2004), on the four dimensions (Baloglu, 2001; Baloglu and Love, 2005; Hernández-Lobato et al., 2006; Li et al., 2010; Lin et al., 2007; Phillips and Jang, 2010; San Martín and Rodríguez del Bosque, 2008), and on other similar items (Edwards et al., 2000; Vaughan and Edwards, 1999). In this study, the researcher analyzed the tourists’ evaluations of tourism product attributes affecting their holiday experience, which were classified into two groups: the package holiday services offered by the tour operator and the external destination attributes beyond the tour operator’s control.

The perceptions of Poland as a tourist destination

In Poland, tourist promotion is the responsibility of the Polish Tourist Organization, which is concerned with promoting Poland as an attractive tourist destination both in Poland and abroad. It conducts activities aimed at encouraging foreign visitors to come to Poland and increasing their number. Polish Tourist Organization pursues its long-term promotion policy based on the document entitled *Marketing Strategy of Tourism in Poland for the years 2012-2020* (Polska Organizacja Turystyczna, 2011), which is an updated version of the document describing the marketing strategy for the years 2008-2015 (Polska Organizacja Turystyczna, 2008). Its numerous tasks include: organizing the conferences, seminars, and trainings, issuing promotional publications about Poland; developing the Internet tourist information system; performing statistical analysis, marketing expertise and prognostic studies in the field of tourism; and initiating and supporting the organizational measures taken by the competent authorities for the development of tourism infrastructure, tourism products, and their promotion (www.pot.gov.pl, accessed January 2014).

Shaping the image of a country is a long-term process, which requires a consistent strategy based on the established plan and scheduled tasks. Moreover, it is necessary to conduct studies on the perceptions of Poland as a tourist destination and assess the effectiveness of the communications campaigns carried out in different markets. Basing on the knowledge of the various markets, the existing image of Poland, and the tourism products’ preferences, it is possible to
adjust the promotional activities to the specific character of a given target audience.

Considering the market attractiveness and the position of Polish tourism in particular markets, priority markets have been distinguished. The most attractive markets with a huge growth potential include: Germany, Great Britain, France, Italy, Denmark, Norway, Sweden, Russia, and Ukraine (Polska Organizacja Turystyczna, 2011). Thus, PTO has commissioned a number of studies to identify the image of Poland as a tourist destination in the priority markets, specify tourist travel habits and preferences, and assess the effectiveness of the conducted communications campaigns aimed at promoting Poland as an attractive country for visitors. Since the image of a country as a tourist destination should be considered in the broader context, the research tasks included also the evaluation of destination image of the Central and Eastern Europe as well as competing destinations.

Although the results of the studies indicate a negative image of the Central and Eastern Europe, which is perceived as a post-communist, uninteresting, drab and cold region, the perceptions of particular countries are more positive. The respondents have the widest knowledge on Poland, Czech Republic, and Hungary, however, they perceive Czech Republic (Prague) and Hungary (Budapest) as more attractive tourist destinations than Poland. The most recognizable Polish cities are Warsaw, Cracow and Gdansk. The first associations with Poland are rather negative or neutral. Poland is seen as a little known, isolated and conservative country, attached to its history and tradition, although the respondents appreciate the economic development, beautiful scenery, and well-known Poles (John Paul II, Lech Walesa, Frederic Chopin, and Roman Polanski). Poland is not perceived as a typical tourist destination, however, some forms of tourism including a city break have been considered with regard to travelling to Poland (Strategia komunikacji na rynkach: brytyjskim, niemieckim i francuskim, 2010).

The analysis of the image of Poland as a tourist destination in the particular markets allow to draw detailed conclusions. According to the findings presented in the report on the effectiveness of the communications campaign promoting Poland on German, British, and French market, the respondents from all countries highlight: the beautiful scenery, monuments and places associated with history, forests, and competitive prices as Poland’s advantages, but they criticize limited Internet access and poor local transport. They see Poles as hospitable, hard-working and religious people. The associations with Poland are both positive and negative. Germans associate Poland with theft and fraud, but also with the beautiful scenery and places worth visiting, including: Mazury, Tatras, and Kashubia
as well as major Polish cities. British link Poland with World War II, Nazi crimes, tradition and history. They perceive Warsaw and other Polish cities as attractive, but indicate cold and inclement weather as disincentives to arrival. French appreciate beautiful countryside and recognize famous Poles, but they also associate hard liquor and alcohol abuse with Poland (Badanie skuteczności kampanii promocyjnej Polski na rynkach zagranicznych: niemieckim, brytyjskim i francuskim, 2011, 2012).

The results of the research carried out on the Swedish and Dutch markets were published in the report on the communications strategy with regard to those markets. According to the findings, Swedes perceive Poland as an agricultural and traditional country with the excessive influence of church. Information on Poland is outdated and it is believed that the country is dull, drab and boring, however, the image of Polish cities, such as Warsaw, Cracow and Tri-City is more positive. Poles are also favorably regarded as diligent, kind, and friendly. Dutch perceptions of Poland are rather negative. They see Poland as a poorly developed, religious, corrupted, and agricultural country. Other associations include sadness, boredom, dullness and poverty. Poland is not perceived as a tourist destination and the only recognizable Polish city is Warsaw. The respondents indicate the lack of knowledge and negative associations as main obstacles to visit Poland, however, they see the opportunities for attracting foreign tourists through promoting cultural tourism, rural tourism, ecotourism, and wellness and spa centers (Strategia komunikacji marketingowej na rynkach szwedzkim i holenderskim, 2012).

Although respondents share many similar views on Poland, there are some differences in their perceptions as well as their travel habits and preferences. Poland is not perceived as a typical tourist destination while Polish cities such as Warsaw, Cracow and Gdansk, places associated with history and national parks generate interest. This means that cultural tourism and city breaks should be promoted in all surveyed countries, but other tourist products should be properly selected and adjusted to the specific characteristics of various markets and target audiences. Active recreation on the Polish coast and the lakes is the right choice for German tourists, while wellness and spa centers can attract tourists from Sweden, guest houses located in the small tourist cities should be promoted in Dutch market, and national parks and places with beautiful landscapes in France. The results of the studies confirm also the suitable selection of the concept of the communications message based on young, energetic, and cheerful people as well as happy tourists who visited Poland. However, the evaluation of the promotional activities carried out so far is unfavorable since they are hardly noticed (Johann, 2013).
METHODOLOGY

Research questions

Since the US market was considered of high importance (Polska Organizacja Turystyczna, 2011), the analysis of the US tourists’ perceptions on Poland could enable to develop a suitable positioning strategy in order to differentiate the country from other tourist destinations and reach the audience through the right communication channels with the appealing message. Additionally, the analysis of the tourists’ opinions on the quality of services provided during the tours and satisfaction with other tourism product attributes could provide information regarding the areas of tourists’ discontent, which could be used by tour operators and other entities offering tourism services in order to improve their market offering and enhance the customer proposition.

The primary objective of the study was to analyze tourists’ perceptions of Poland as a travel destination. The research tasks included the identification of the distinct associations with Poland that differentiate it from other tourist destinations and make it a unique country to travel, visit, and experience. Another important research task was gathering information on the possible ways to improve the promotional activities aimed at promoting Poland as a tourist destination.

The following research questions were formulated:

1. What are the perceptions of tourism product attributes including the services provided by the tour operator as well as other destination attributes?
2. Is there a relationship between gender and tourism product evaluations, age, and tourism product evaluations, and country of residence and tourism product evaluations?
3. What are the distinct associations with Poland as a tourism destination?
4. How to improve the effectiveness of the promotional activities aimed at promoting Poland as a tourist destination?

Data collection

The researcher analyzed the secondary data such as: the reports on the Poland communications campaigns in selected markets performed on request of the Polish Tourism Organization and tourists satisfaction surveys conducted by tour operators. Then, in-depth interviews with the tourist companies’ managers and individual tourists were conducted. Based on the secondary data analysis and in-
depth interviews, the researcher distinguished factors affecting the tourist’ holiday experience and divided them into two groups: the attributes controlled by the tour operator and those beyond the tour operator’s control:

- **controllable attributes:** attractiveness of the program, organization, hotels, restaurants and meals, standard of the bus, tour escort, and price/quality relationship,
- **uncontrollable attributes:** climate and atmosphere of the stay, tourist attractions (culture, monuments), nature (countryside and parks), shopping opportunities, safety, opportunity to meet new people, weather, cleanliness, reasonable prices, tourist information, kindness towards foreigners, possibility to communicate in English and handicapped facilities.

After selecting the attributes crucial for visitors, the questionnaire was developed including the closed-ended and open-ended questions aimed at obtaining all information regarding travelers’ holiday experience. Subsequently, the questionnaires were distributed among tourists who were on the coach tours in Poland in 2013, in English version, organized by Mazurkas Travel – Polish Incoming Tour Operator. Tourists were asked questions regarding their assessments of important package holidays attributes distinguished by the researcher. Numerical evaluation of all attributes was made with the application of 1-5 Likert scale. Moreover, tourists were asked questions regarding their opinions on the attractiveness of Poland as a tourist destination comparing to other countries and promotional activities which could be used to increase the awareness of Poland as a tourist destination.

**Sample characteristics**

The surveyed sample of tourists spent their summer holidays in Poland on the coach tours with the program including the major cities and the most important tourists attractions. The total sample volume was 463 travelers. According to the survey results presented in Table 1, 59.8% of tourists were females and 40.2% males. 69.1% of respondents were over 60, 15.3% were within the age bracket of 51-60, 6.1% were between ages of 20-30, 5.4% between 41-50, 2.4% between 31-40 and 1.7% were under 20. Considering the country of residence, 83.8% of tourists were from the USA, 8.7% from Canada, 4.7% from Australia, and 2.9% from other countries. Thus, the conclusions of the study are made with regard to the US, Canadian, and Australian markets.
Table 1 The Sample characteristics

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Frequency</th>
<th>Percent</th>
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<th>Cumulative percent</th>
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<tbody>
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</tr>
<tr>
<td>Valid</td>
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</tr>
<tr>
<td>Female</td>
<td>185</td>
<td>59.8</td>
<td>59.8</td>
<td>59.8</td>
</tr>
<tr>
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<td>275</td>
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</tr>
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</tr>
<tr>
<td>Total</td>
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</tr>
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<td>under 20</td>
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<td>over 60</td>
<td>317</td>
<td>69.1</td>
<td></td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>459</td>
<td>100.0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Missing</td>
<td>4</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>463</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Country of residence</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Valid</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>USA</td>
<td>377</td>
<td>81.4</td>
<td>83.8</td>
<td>83.8</td>
</tr>
<tr>
<td>Canada</td>
<td>39</td>
<td>8.4</td>
<td>8.7</td>
<td>92.4</td>
</tr>
<tr>
<td>Australia</td>
<td>21</td>
<td>4.5</td>
<td>4.7</td>
<td>97.1</td>
</tr>
<tr>
<td>Other</td>
<td>13</td>
<td>2.8</td>
<td>2.9</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>450</td>
<td>97.2</td>
<td>100.0</td>
<td></td>
</tr>
<tr>
<td>Missing</td>
<td>13</td>
<td>2.8</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>463</td>
<td>100.0</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

FINDINGS

The analysis of the data in this study consists of two major parts: a quantitative analysis of tourists’ perceptions of Poland as a tourist destination and a qualitative analysis of the tourists’ comments and opinions regarding Poland as a tourism destination.

The quantitative analysis

The quantitative analysis was carried out on the basis of the tourists’ evaluations of the distinguished tourism product attributes by applying a Likert scale ranging from 1 to 5. The results of the quantitative analysis of tourists’ perceptions of main tourism product attributes are presented in Table 2.
Table 2. The tourists’ perceptions of main tourism product attributes

<table>
<thead>
<tr>
<th>Tourism product attributes</th>
<th>Mean</th>
<th>Standard Deviation</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attractiveness of the program</td>
<td>4.69</td>
<td>0.509</td>
<td>450</td>
</tr>
<tr>
<td>Organization</td>
<td>4.70</td>
<td>0.526</td>
<td>451</td>
</tr>
<tr>
<td>Hotels</td>
<td>4.38</td>
<td>0.626</td>
<td>452</td>
</tr>
<tr>
<td>Restaurants and meals</td>
<td>4.48</td>
<td>0.680</td>
<td>456</td>
</tr>
<tr>
<td>Standard of the bus</td>
<td>4.66</td>
<td>0.555</td>
<td>459</td>
</tr>
<tr>
<td>Tour escort</td>
<td>4.85</td>
<td>0.459</td>
<td>455</td>
</tr>
<tr>
<td>Price/quality relationship</td>
<td>4.60</td>
<td>0.453</td>
<td>453</td>
</tr>
<tr>
<td>Climate, atmosphere of your stay</td>
<td>4.54</td>
<td>0.632</td>
<td>452</td>
</tr>
<tr>
<td>Tourist attractions</td>
<td>4.67</td>
<td>0.541</td>
<td>451</td>
</tr>
<tr>
<td>Nature, countryside</td>
<td>4.57</td>
<td>0.621</td>
<td>447</td>
</tr>
<tr>
<td>Shopping opportunities</td>
<td>4.01</td>
<td>0.867</td>
<td>436</td>
</tr>
<tr>
<td>Safety</td>
<td>4.65</td>
<td>0.572</td>
<td>446</td>
</tr>
<tr>
<td>Opportunity to meet new people</td>
<td>4.31</td>
<td>0.772</td>
<td>449</td>
</tr>
<tr>
<td>Weather</td>
<td>4.11</td>
<td>0.889</td>
<td>447</td>
</tr>
<tr>
<td>Cleanliness</td>
<td>4.61</td>
<td>0.531</td>
<td>453</td>
</tr>
<tr>
<td>Reasonable prices</td>
<td>4.58</td>
<td>0.565</td>
<td>453</td>
</tr>
<tr>
<td>Tourist information</td>
<td>4.43</td>
<td>0.651</td>
<td>440</td>
</tr>
<tr>
<td>Kindness towards foreigners</td>
<td>4.48</td>
<td>0.718</td>
<td>452</td>
</tr>
<tr>
<td>Possibility to communicate in English</td>
<td>4.33</td>
<td>0.778</td>
<td>448</td>
</tr>
<tr>
<td>Handicapped facilities</td>
<td>3.60</td>
<td>1.083</td>
<td>291</td>
</tr>
</tbody>
</table>

According to the survey results, the highest rated tourism product attributes controlled by the tour operator included: tour escort, organization, attractiveness of the program and standard of the bus. Meals and restaurants and hotels received lower rates, however, they were also highly evaluated. The relatively high rating of price/quality relationship is worth noting, since it shows the attractiveness of value proposition offered by the tour operator. Considering the evaluations of other package holidays attributes related to the uncontrollable external conditions, the highest ranked attributes included: tourist attractions, safety, cleanliness, beautiful nature and countryside and reasonable prices. Shopping opportunities and weather received lower rates and handicapped facilities was the lowest ranked attribute.

In order to determine whether there is a significant association between gender and tourism product attributes’ evaluations, age and tourism product attributes’ evaluations, and country of residence and tourism product attributes’ evaluations, a chi-square test of independence was conducted. Three hypotheses were tested:

H1: Gender and tourism product attributes’ evaluations are independent.
H2: Age and tourism product attributes’ evaluations are independent.
H3: Country of residence and tourism product attributes’ evaluations are independent.
To meet the chi-square test conditions (less than 20% of cells have expected count less than 5, and the minimum expected count is more than 1) two age groups were distinguished (1 - 60 and less, and 2 – more than 60), two groups of countries (1- USA, 2 – other countries), and tourists’ evaluations were classified into three groups (1 – bad and neutral, 2- good, 3 – very good).

Table 2. Chi-square test for gender and tourism product attributes’ evaluations

<table>
<thead>
<tr>
<th>Tourism product attributes</th>
<th>Value</th>
<th>df</th>
<th>Assymp. Sig (2-sided)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attractiveness of the program</td>
<td>4.298</td>
<td>2</td>
<td>0.117</td>
</tr>
<tr>
<td>Organization</td>
<td>0.276</td>
<td>2</td>
<td>0.871</td>
</tr>
<tr>
<td>Hotels</td>
<td>3.003</td>
<td>2</td>
<td>0.223</td>
</tr>
<tr>
<td>Restaurants and meals</td>
<td>1.338</td>
<td>2</td>
<td>0.512</td>
</tr>
<tr>
<td>Standard of the bus</td>
<td>2.639</td>
<td>2</td>
<td>0.267</td>
</tr>
<tr>
<td>Tour escort</td>
<td>0.270</td>
<td>2</td>
<td>0.987</td>
</tr>
<tr>
<td>Price/quality relationship</td>
<td>1.192</td>
<td>2</td>
<td>0.551</td>
</tr>
<tr>
<td>Climate, atmosphere of your stay</td>
<td>0.996</td>
<td>2</td>
<td>0.608</td>
</tr>
<tr>
<td>Tourist attractions</td>
<td>4.940</td>
<td>2</td>
<td>0.085</td>
</tr>
<tr>
<td>Nature, countryside</td>
<td>2.947</td>
<td>2</td>
<td>0.229</td>
</tr>
<tr>
<td>Shopping opportunities</td>
<td>2.431</td>
<td>2</td>
<td>0.297</td>
</tr>
<tr>
<td>Safety</td>
<td>5.654</td>
<td>2</td>
<td>0.059</td>
</tr>
<tr>
<td>Opportunity to meet new people</td>
<td>3.049</td>
<td>2</td>
<td>0.218</td>
</tr>
<tr>
<td>Weather</td>
<td>6.716</td>
<td>2</td>
<td>0.035</td>
</tr>
<tr>
<td>Cleanliness</td>
<td>0.894</td>
<td>2</td>
<td>0.639</td>
</tr>
<tr>
<td>Reasonable prices</td>
<td>2.542</td>
<td>2</td>
<td>0.280</td>
</tr>
<tr>
<td>Tourist information</td>
<td>1.634</td>
<td>2</td>
<td>0.442</td>
</tr>
<tr>
<td>Kindness towards foreigners</td>
<td>0.575</td>
<td>2</td>
<td>0.750</td>
</tr>
<tr>
<td>Possibility to communicate in English</td>
<td>1.270</td>
<td>2</td>
<td>0.530</td>
</tr>
<tr>
<td>Handicapped facilities</td>
<td>0.040</td>
<td>2</td>
<td>0.980</td>
</tr>
</tbody>
</table>

Significance level at 0.05

Table 2 shows the results of the chi-square test for gender and tourism product attributes’ evaluations. Since the P-value is more than the significance level (0.05) in all cases, the null hypothesis can be accepted. Thus, it is possible to make a conclusion that gender and tourism product attributes’ evaluations are independent.

Table 3 shows the results of the chi-square test for age and tourism product attributes’ evaluations. The P-value is less than the significance level for such product attributes as: attractiveness of program, organization, and kindness towards foreigners. The hypothesis for those attributes can be rejected. In other cases the P-value is more than the significance level, which means that for those attributes the hypothesis can be accepted. It can be concluded that age is related to the evaluations of attractiveness of program, organization, and kindness towards foreigners, and is not related to the evaluations of other tourism product attributes.
### Table 3. Chi-square test for age and tourism product attributes’ evaluations

<table>
<thead>
<tr>
<th>Tourism product attributes</th>
<th>Value</th>
<th>df</th>
<th>Assymp. Sig (2-sided)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attractiveness of the program</td>
<td>6.783</td>
<td>2</td>
<td>0.034</td>
</tr>
<tr>
<td>Organization</td>
<td>9.598</td>
<td>2</td>
<td>0.008</td>
</tr>
<tr>
<td>Hotels</td>
<td>5.238</td>
<td>2</td>
<td>0.075</td>
</tr>
<tr>
<td>Restaurants and meals</td>
<td>2.718</td>
<td>2</td>
<td>0.257</td>
</tr>
<tr>
<td>Standard of the bus</td>
<td>4.344</td>
<td>2</td>
<td>0.114</td>
</tr>
<tr>
<td>Tour escort</td>
<td>2.582</td>
<td>2</td>
<td>0.275</td>
</tr>
<tr>
<td>Price/quality relationship</td>
<td>4.206</td>
<td>2</td>
<td>0.122</td>
</tr>
<tr>
<td>Climate, atmosphere of your stay</td>
<td>3.778</td>
<td>2</td>
<td>0.151</td>
</tr>
<tr>
<td>Tourist attractions</td>
<td>1.254</td>
<td>2</td>
<td>0.534</td>
</tr>
<tr>
<td>Nature, countryside</td>
<td>0.212</td>
<td>2</td>
<td>0.899</td>
</tr>
<tr>
<td>Shopping opportunities</td>
<td>0.229</td>
<td>2</td>
<td>0.892</td>
</tr>
<tr>
<td>Safety</td>
<td>0.878</td>
<td>2</td>
<td>0.645</td>
</tr>
<tr>
<td>Opportunity to meet new people</td>
<td>2.500</td>
<td>2</td>
<td>0.286</td>
</tr>
<tr>
<td>Weather</td>
<td>2.928</td>
<td>2</td>
<td>0.231</td>
</tr>
<tr>
<td>Cleanliness</td>
<td>5.031</td>
<td>2</td>
<td>0.081</td>
</tr>
<tr>
<td>Reasonable prices</td>
<td>0.626</td>
<td>2</td>
<td>0.731</td>
</tr>
<tr>
<td>Tourist information</td>
<td>1.645</td>
<td>2</td>
<td>0.439</td>
</tr>
<tr>
<td>Kindness towards foreigners</td>
<td>30.861</td>
<td>2</td>
<td>0.000</td>
</tr>
<tr>
<td>Possibility to communicate in English</td>
<td>1.496</td>
<td>2</td>
<td>0.473</td>
</tr>
<tr>
<td>Handicapped facilities</td>
<td>4.328</td>
<td>2</td>
<td>0.115</td>
</tr>
</tbody>
</table>

Significance level at 0.05

### Table 4. Chi-square test for country of residence and tourism product attributes’ evaluations

<table>
<thead>
<tr>
<th>Tourism product attributes</th>
<th>Value</th>
<th>df</th>
<th>Assymp. Sig (2-sided)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attractiveness of the program</td>
<td>3.660</td>
<td>2</td>
<td>0.160</td>
</tr>
<tr>
<td>Organization</td>
<td>0.426</td>
<td>2</td>
<td>0.808</td>
</tr>
<tr>
<td>Hotels</td>
<td>2.178</td>
<td>2</td>
<td>0.337</td>
</tr>
<tr>
<td>Restaurants and meals</td>
<td>2.614</td>
<td>2</td>
<td>0.271</td>
</tr>
<tr>
<td>Standard of the bus</td>
<td>8.720</td>
<td>2</td>
<td>0.013</td>
</tr>
<tr>
<td>Tour escort</td>
<td>3.570</td>
<td>2</td>
<td>0.168</td>
</tr>
<tr>
<td>Price/quality relationship</td>
<td>7.568</td>
<td>2</td>
<td>0.023</td>
</tr>
<tr>
<td>Climate, atmosphere of your stay</td>
<td>6.937</td>
<td>2</td>
<td>0.031</td>
</tr>
<tr>
<td>Tourist attractions</td>
<td>3.306</td>
<td>2</td>
<td>0.191</td>
</tr>
<tr>
<td>Nature, countryside</td>
<td>3.453</td>
<td>2</td>
<td>0.178</td>
</tr>
<tr>
<td>Shopping opportunities</td>
<td>3.908</td>
<td>2</td>
<td>0.142</td>
</tr>
<tr>
<td>Safety</td>
<td>6.992</td>
<td>2</td>
<td>0.030</td>
</tr>
<tr>
<td>Opportunity to meet new people</td>
<td>14.208</td>
<td>2</td>
<td>0.001</td>
</tr>
<tr>
<td>Weather</td>
<td>7.188</td>
<td>2</td>
<td>0.027</td>
</tr>
<tr>
<td>Cleanliness</td>
<td>11.849</td>
<td>2</td>
<td>0.003</td>
</tr>
<tr>
<td>Reasonable prices</td>
<td>7.046</td>
<td>2</td>
<td>0.030</td>
</tr>
<tr>
<td>Tourist information</td>
<td>9.842</td>
<td>2</td>
<td>0.007</td>
</tr>
<tr>
<td>Kindness towards foreigners</td>
<td>4.066</td>
<td>2</td>
<td>0.131</td>
</tr>
<tr>
<td>Possibility to communicate in English</td>
<td>5.430</td>
<td>2</td>
<td>0.066</td>
</tr>
<tr>
<td>Handicapped facilities</td>
<td>3.827</td>
<td>2</td>
<td>0.148</td>
</tr>
</tbody>
</table>

Significance level at 0.05
Table 4 shows the results of the chi-square test and tourism product attributes’ evaluations. The P-value is less than the significance level for such tourism product attributes as: standard of the bus, price/quality relationship, climate and atmosphere of the stay, safety, opportunity to meet new people, weather, cleanliness, reasonable prices, and tourist information. The hypothesis for those attributes can be rejected. In other cases the P-value is more than the significance level, so for other attributes the hypothesis can be accepted. Thus, it can be stated that the country of residence is related to the evaluations of standard of the bus, price/quality relationship, climate and atmosphere of the stay, safety, opportunity to meet new people, weather, cleanliness, reasonable prices, and tourist information, and is not related to the evaluations of other product attributes.

The qualitative analysis

The qualitative analysis was concerned with examining tourists’ comments regarding their perceptions of Poland as a tourist destination. 406 tourists out of 463 made comments about their holiday experience. All those comments have been carefully examined in order to identify the points that differentiate Poland from other countries visited by tourists. The most frequently repeated tourists’ comments regarding the attractiveness of Poland as a tourist destination are presented in Table 5.

According to the opinions of tourists, Poland is an attractive tourist destination, however, an old image of the country (communist and poor), lack of knowledge, and hardly noticed promotional activities can be main obstacles to visiting Poland. In addition, the communication campaigns aimed at promoting other European countries are more visible, so other destinations including Czech Republic (Prague) and Hungary (Budapest) appear to be more attractive. Tourists’ perceptions of Poland’s natural (e.g. climate, landscape), cultural (e.g. history, art) and functional (e.g. accommodations, food, transportation) resources are generally positive. Travelers appreciate beautiful countryside and cultural heritage and see them as valuable assets. Various types of landscape, natural beauty from mountains to beach resorts, pleasant climate in summer are emphasized as important elements of their holiday experience. Poland appears to be a country with a good future, fast growing economy with a proud public, and amazing post war recovery and reconstruction. Rich, interesting, individual, unique history and culture as well as change, growth and development are main points of differentiation according to many visitors.
Poland is characterized as a country with the European climate, however, it is less westernized and commercialized. In comparison to the rest of Europe, Poland is perceived as a very different, original, and unique country. Very many tourists see Poland as much cleaner and much safer than other European countries. The visitors also stress competitive prices, good exchange rate and the fact that Poland has not converted to euro yet as important advantages of coming to Poland. Moreover, they highly value the quality of tourist services provided on the tour, and appreciate delicious Polish cuisine and very tasty meals served in the restaurants. Polish people, according to the opinions of surveyed travelers, are warm, kind, hospitable, and helpful. They are also friendly to the US visitors and have a good command of English, which facilitates communication. Commitment to the Catholic Church, respect for tradition, spirit of people, determination, strength, and diligence are considered the main Polish values.

Table 5. The travelers’ perceptions regarding Poland as an attractive tourist destination

<table>
<thead>
<tr>
<th>What makes Poland an attractive tourist destination</th>
<th>% of indications</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unique, rich, interesting history</td>
<td>49.26</td>
</tr>
<tr>
<td>Friendly, welcoming, kind, polite people</td>
<td>22.17</td>
</tr>
<tr>
<td>Wonderful sites and tourist attractions</td>
<td>21.19</td>
</tr>
<tr>
<td>Beautiful countryside, scenery, variety of landscape</td>
<td>20.69</td>
</tr>
<tr>
<td>Affordability, competitive prices, good exchange rate</td>
<td>19.46</td>
</tr>
<tr>
<td>Culture, tradition, music, folklore</td>
<td>18.22</td>
</tr>
<tr>
<td>Delicious food, excellent restaurants</td>
<td>11.08</td>
</tr>
<tr>
<td>Cleanliness, very clean country</td>
<td>7.39</td>
</tr>
<tr>
<td>Polish origins, roots, family ties</td>
<td>7.39</td>
</tr>
<tr>
<td>Ability to communicate in English</td>
<td>5.91</td>
</tr>
<tr>
<td>Safety, very safe country</td>
<td>5.17</td>
</tr>
<tr>
<td>Economic growth, progress, development</td>
<td>3.94</td>
</tr>
<tr>
<td>Well-known people, scientists, writers, musicians</td>
<td>3.20</td>
</tr>
<tr>
<td>Good accommodation, high quality hotels</td>
<td>2.22</td>
</tr>
<tr>
<td>Religion, faith, devotion to catholic church</td>
<td>1.72</td>
</tr>
<tr>
<td>Not so touristy, not overcrowded by tourists</td>
<td>1.47</td>
</tr>
<tr>
<td>Nice weather, pleasant climate in summer</td>
<td>1.23</td>
</tr>
<tr>
<td>Shopping opportunities</td>
<td>1.23</td>
</tr>
</tbody>
</table>

The analysis of the travelers’ comments regarding their perceptions of Poland as an attractive tourist destination enabled to distinguish the points that differentiate Poland from other tourist destinations. The points of differentiation, presented in Table 6, are crucial for the positioning strategy of Poland as a travel destination as well as the communication strategy aimed at creating an image of Poland as an attractive country for tourists.
Table 6. The image of Poland as a tourist destination – the points of differentiation

<table>
<thead>
<tr>
<th>Points of differentiation</th>
</tr>
</thead>
<tbody>
<tr>
<td>History</td>
</tr>
<tr>
<td>Culture</td>
</tr>
<tr>
<td>Nature</td>
</tr>
<tr>
<td>Economy</td>
</tr>
<tr>
<td>Religion</td>
</tr>
<tr>
<td>People</td>
</tr>
<tr>
<td>Country of origin</td>
</tr>
<tr>
<td>Food</td>
</tr>
<tr>
<td>Prices</td>
</tr>
<tr>
<td>Weather</td>
</tr>
<tr>
<td>Famous people</td>
</tr>
<tr>
<td>Cleanliness</td>
</tr>
<tr>
<td>Safety</td>
</tr>
<tr>
<td>Values</td>
</tr>
<tr>
<td>Other</td>
</tr>
<tr>
<td><strong>History</strong></td>
</tr>
<tr>
<td>Unique and individual history, interesting historical sites</td>
</tr>
<tr>
<td><strong>Culture</strong></td>
</tr>
<tr>
<td>Cultural heritage, post war recovery, reconstruction, architecture, music</td>
</tr>
<tr>
<td><strong>Nature</strong></td>
</tr>
<tr>
<td>Beautiful countryside, various types of landscape, scenery, forests</td>
</tr>
<tr>
<td><strong>Economy</strong></td>
</tr>
<tr>
<td>Fast growing economy, development, change</td>
</tr>
<tr>
<td><strong>Religion</strong></td>
</tr>
<tr>
<td>Religious heritage, strong religion, religion important for people</td>
</tr>
<tr>
<td><strong>People</strong></td>
</tr>
<tr>
<td>Friendly, kind, helpful, welcoming, able to communicate in English</td>
</tr>
<tr>
<td><strong>Country of origin</strong></td>
</tr>
<tr>
<td>Polish origins, roots, family ties</td>
</tr>
<tr>
<td><strong>Food</strong></td>
</tr>
<tr>
<td>Unique, delicious, wonderful food</td>
</tr>
<tr>
<td><strong>Prices</strong></td>
</tr>
<tr>
<td>Competitive prices, good exchange rate, does not have euro</td>
</tr>
<tr>
<td><strong>Weather</strong></td>
</tr>
<tr>
<td>Pleasant climate in summer</td>
</tr>
<tr>
<td><strong>Famous people</strong></td>
</tr>
<tr>
<td>Many artists, musicians, scientists originated from Poland</td>
</tr>
<tr>
<td><strong>Cleanliness</strong></td>
</tr>
<tr>
<td>Very clean, cleaner that other countries</td>
</tr>
<tr>
<td><strong>Safety</strong></td>
</tr>
<tr>
<td>Very safe, safer than other countries</td>
</tr>
<tr>
<td><strong>Values</strong></td>
</tr>
<tr>
<td>Tradition, hospitality, strength, spirit of people, determination, diligence</td>
</tr>
<tr>
<td><strong>Other</strong></td>
</tr>
<tr>
<td>European, but not so commercialized and touristic as the rest of Europe</td>
</tr>
</tbody>
</table>

CONCLUSIONS

Poland is not perceived as a tourist destination and traveling to Poland is not promoted sufficiently in the USA, Canada, and Australia according to the opinions of many tourists. Moreover, the limited number of companies offer tours to Poland, travel agents do not have extensive knowledge about travelling to Poland and it is hard to find information about tours to Poland. In general, people do not think of Poland as a place to visit unless they have family connections in Poland. The visitors indicate the lack of knowledge and outdated image as main obstacles to visit Poland, however, they see the opportunities for attracting foreign tourists in developing a promotional campaign aimed at creating the modern image of Poland.

The quantitative analysis of tourists’ evaluations of the tourism product attributes leads to the following conclusions. The tourism product attributes including the package holiday services offered by the tour operator were highly evaluated by the tourists. Tour escort, organization, attractiveness of program, and standard of bus were the highest ranked attributes. Considering the evaluations of other tourism product attributes related to the external conditions, tourist attractions, safety, cleanliness, beautiful nature and countryside and reasonable prices were among highest rated attributes. According to the chi-square test results: gender and tourism product attributes are not related; age is related to the evaluations of attractiveness of program, organization, and kindness towards foreigners, and is not related to the evaluations of other tourism product attributes; country of residence is related
to the evaluations of standard of the bus, price/quality relationship, climate and atmosphere of the stay, safety, opportunity to meet new people, weather, cleanliness, reasonable prices, and tourist information, and is not related to the evaluations of other product attributes.

The qualitative analysis of tourists’ comments regarding their holiday experience in Poland enables to draw conclusions with regard to the visitors’ perceptions of Poland as a tourist destination and identify the points that differentiate Poland and make it a unique travel destination. The majority of tourists were satisfied with their visit to Poland and would recommend Poland as a tourist destination. The analyzed group of travelers appreciate the most unique, rich, and interesting history as well as historical sites, variety of tourist attractions, Polish culture and traditions. According to the opinions of many visitors Poland is a progressive country with a good future, very safe, and clean. Polish people are perceived as friendly, warm, nice, polite and able to communicate in English. The visitors highly value beautiful countryside, nature and variety of landscape. The tourist services offered in Poland are considered of high quality, especially delicious food served in the restaurants.

The communication message aimed at creating the tourist identity for Poland should be focused on the differences between Poland and the Western European destinations as well as the areas of travelers’ satisfaction. According to the opinions of many tourists Poland is less commercialized and touristy than other European countries. Poland has experienced more changes than other countries and its history is unique, individual, rich and interesting. The visitors were impressed with the amazing post war recovery and the spirit, strength, and determination of people as well as their respect for tradition. Moreover, Poland is perceived as cleaner, safer, and cheaper than other European countries. Variety of tourist attractions and historical sites, cultural heritage, stability and progress, diverse landscape, friendly and welcoming attitude, common use of English, delicious and unique food should be also taken into consideration while creating the communication message addressed to the US, Canadian, and Australians visitors. The fact that many visitors are of Polish origins could be also used in the communications message as well as the opinions of satisfied tourists.

As the promotional activities aimed at developing the image of Poland as a tourist destination in the analyzed markets are hardly noticed by the travelers, it is necessary to put much more efforts in marketing communication and intensify the communication campaign. Other countries such as Israel or Turkey are much more effective in promoting their images as travel destinations. Even Prague and Budapest are much more recognized as tourist cities than Cracow. Thus, the advertising campaign on a large scale, showing the cultural heritage, change
and progress, is crucial for creating the tourist identity for Poland. Moreover, information about Poland and travelling to Poland should be published in travel magazines and travel pages of major newspapers, and presented on travel channels and Internet. It is also important to intensify the promotional activities within Polish communities including Polish clubs, organizations, churches and newspapers. The package holidays to Poland should be offered in a greater number of travel agencies and travel agents should be more aware of Poland as a tourist destination. Thus, it is necessary to undertake promotional activities to tourism product distributors through various communications tools such as study tours, visits, tourism brochures and catalogues.

Since the study was concerned with the investigation of perceptions of Poland as a tourist destination within a group of travelers coming mostly from the USA, Canada, and Australia, it would be recommended to continue the research and examine the perceptions of tourists from various countries regarding Poland as a travel destination.

REFERENCES


Satisfaction of Tourists in Serbia, Destination Image, Loyalty and DMO Service Quality

Ivan Paunović
Singidunum University, Serbia

ABSTRACT: Background: Tourist satisfaction literature, although rich in general, lacks the understanding of tourist satisfaction components on the level of the destination. Researching and benchmarking various aspects of tourist satisfaction would help DMO’s improve the tourist satisfaction in certain targeted segments of offer. Objectives: Identifying the components of tourist satisfaction on the level of destination using primary research data. Using secondary sources to identify related marketing concepts to tourist satisfaction: service quality, destination loyalty and image, and their relation to tourist satisfaction. Identifying major components of DMO service quality, tourist destination brand loyalty, and destination brand image. Methodology: Using Principal Component Analysis (PCA) of primary research data on tourist satisfaction to extract major components influencing tourist satisfaction. Using secondary sources to identify concepts related to tourist satisfaction. Results: Tourist satisfaction has cognitive and emotional aspects which cannot be easily measured. As evidenced in the tourism literature and our primary research, the essential part of the tourist satisfaction is always satisfaction with the human contact, and the perception of the people on the destination, where aspects like safety, hospitality, and professionalism are of major importance. Tourist satisfaction, although one of the most important benchmarks for destination competitiveness, should not be considered without consideration of other related marketing tools such as destination loyalty, destination image and service quality. Moreover, mediating role of tourist satisfaction between service quality and destination loyalty is well documented in the literature. Keywords: consumer behavior, destination marketing, DMO benchmarking

INTRODUCTION

Cooper et al. note that both macro and micro destination environments are in a constant state of change and evolution. More importantly the authors encourage the decision-makers to recognize the magnitude of the events shaping the future and their impact on how the destinations will be managed in the future. (Cooper, Fletcher, Fyall, Gilbert, & Wanhill, 2008) This is why a simple, usable quantitative benchmarking model is important for both small and large DMO's. It is intended to be a starting point for research, and also to assist in or-
ganizing the data, and thus facilitate evidence-based decision making and policy creation. This view is supported by Bieger and Laesser, who recommend the categorization of local and regional DMO’s according to the quantitative criteria. (Bieger & Laesser, 1998)

Pavlic et al. emphasize that tourist satisfaction is central concept in the process of destination benchmarking. (Pavlic, Perucic, & Portolan, 2010) Primary data research focused on collecting data of tourist satisfaction in order to analyze in detail the variety of components of the tourist satisfaction, and to point out the most important ones. However the phenomenon of tourist satisfaction cannot be approached without considerations for other marketing tools and concepts. Most authors emphasize the importance of measuring the effect of both tourist satisfaction and service quality on the brand loyalty on the destination level. (Emir & Kozak, 2011) (Su, Cheng, & Huang, 2011) (Maroco & Maroco, 2013 Vol. 4 No. 3) Plumed Lasarte additionally emphasized the effect that managing brand image, as one of the main functions of DMO, has on brand loyalty, on the case of Turespana. (Plumed Lasarte, 2012 Vol. 3 Special Issue- ITC’ 11) However, these concepts were reviewed through secondary sources, in order to understand tourism satisfaction phenomenon more broadly and develop methodology for future research.

REVIEW OF THE LITERATURE

The research on hotel satisfaction, conducted by Emir and Kozak concluded that the single most important factor in the hotel satisfaction is the front office. Of course, the managerial complexity of the hotel operations should not be overlooked, but the critical factor for tourist satisfaction is the functionality and efficiency of the front office in providing information, check in-check out, etc. (Emir & Kozak, 2011) Maroco and Maroco confirmed this findings through the research conducted in Portugese hotels, and concluded that reception and safety are the 2 most important dimensions of service quality. (Maroco & Maroco, 2013 Vol. 4 No. 3) Similar findings were presented in the study by Kattara et al. They found that employee behavior in the 5 star hotel has great effect on overall customer satisfaction, regardless of customer gender, nationality, purpose of visit, number of visits and length of stay. This research concluded that human contact is a critical determinant of customer satisfaction. Moreover, when customers are satisfied with the human interaction they are inclined to look over other potential problems in the process of service delivery. (Saad, Weheba, & Ahmed El-Said, 2008 Vol. 8, 4) In this context, one of the good practice examples for hotel organization motto is the Ritz-Carl-
ton: “We are Ladies and Gentleman, serving Ladies and Gentleman”.
(The Ritz-Carlton Hotel Company, L.L.C., 2013) The importance of
qualified staff in the hotel business, and more generally on the desti-
nation as a whole, is essential.

The results of the second-order factor analysis of the gastronomic tourist’s satisfaction, conducted by Correia et al. show that gastro-
nomic tourist satisfaction depends on 3 factors: 1. Price and quality, 2. Gastronomy (local courses, food presentation, originality and exot-
miness, and staff presentation), and 3. Atmosphere (ethnic decoration, decoration, modern music, lighting, entertainment). (Correia, Moital, Ferreira da Costa, & Rita, 2008). This results indicate that even in the
specialized services, such as restaurants, the service itself is only one of
the factors, while atmosphere and price and quality are equally im-
portant factors.

There are not many studies of tourist satisfaction that include accom-
modation as a factor in tourist overall satisfaction with the desti-
nation. However, Marcussen found that the satisfaction with the ac-
commodation doesn’t have any significant impact on overall holiday
satisfaction or on intention to return. (Marcussen, 2011)

Del Chiappa et al. found that the satisfaction with the museum
offer increases as the length of time spent in the museum increases.
It shows the importance of auxiliary services in a modern museum,
which can include different leisure and cultural activities, as well as con-
certs, exhibitions, thematic shows, etc. (Del Chiappa, Ladu, Melledu,
& Pulina, 2013)

Lai and Quang Vinh conducted an opinion survey using the Ana-
lytical Hierarchy (AHP) Method and concluded that there are 3 most
important factors influencing the tourism promotion effectiveness: (1)
government policy, (2) tourist satisfaction, and (3) service staff. (Lai
& Vinh, 2013) Mendes et al. found, on the case of Arade (Portugal),
that there is a connection between tourist satisfaction and destination
(brand) loyalty, especially for certain types of tourists-older, Portuguese,
well educated, and on a business or social trip. (Mendes, Valle, Guer-
reiro, & Silva, 2010) One of the proposed approaches for successful
destination branding in the competitive regional and global environment
is market segmentation. (Paunovic, 2013) However, considerable obsta-
cle in using market segmentation as a marketing tool is a low manage-
rial understanding of the market segmentation process. It puts at risk
market segmentation studies for they can easily be used in an ineffec-
tive manner. (Dolnicar & Lazarevski, Methodological reasons for the
theory/practice divide in market segmentation, 2009 Vol. 25 No. 3-4)

Navratil, Picha and Navratilova researched theoretical models of
satisfaction on the case of water-based natural attractions in South Bo-
hemia (Chech republic). On a rather large sample of 1664 respond-
ents, they confirmed the theoretical causal relationship, where (1) perceived quality influences (2) perceived value, which in turn influences (3) tourist satisfaction. In addition they found that on-site experience is a significant mediation element between perceived quality and perceived value. The updated model is: (1) perceived quality influences (2) on-site experience, which influences (3) perceived value, which in turn influences (4) tourist satisfaction. (Navratil, Picha, & Navratilova, 2012 Vol. 60 no. 4)

Dragicevic and Letunic researched the satisfaction of tourists on the destination Orebic (Slovenia). While as much as 60% of tourists where satisfied with accommodation, only 41% was satisfied with sport facilities and 25% with the entertainment facilities. This findings call for integrated destination product development, in order for the destination to stay competitive. (Dragicevic & Letunic, 2008)

Questions regarding the perceived cultural difference were not included in the design of the present research. However, in the model created by Huang and Chiu, an important component of the overall tourist satisfaction is the perceived cultural difference compared to tourist’s own cultural values. In the proposed model, cultural difference influences directly both satisfaction and trust. (Huang & Chiu, 2006 Vol. 10 no. 1)

Tourist satisfaction can reveal hidden patterns on the tourist market. The research conducted by Pavlic et al., found that Dubrovnik attracts highly educated tourist population (50% had University degree), and tourists with professions with high annual income (41% were managers and employed as doctors, professors, or working in the bank). However, there was statistically significant difference in the satisfaction between high consumption and low consumption tourist. Tourists with high consumption were less satisfied that tourists with low consumption. (Pavlic, Perucic, & Portolan, 2010) This finding implies the need for continuous investment in expansion of tourism products for high income tourists, as well as raising the standards of service. The highest income tourists are also the most demanding tourists.

Quality management is an important organizational strategy and tool for building competitive advantage in dynamic and competitive market. (Garcia, Brea, & Rama, 2012) Evidence from Hungary, as presented by Behringer and Mester, shows strong consumer demand for a quality assurance accreditation system. (Behringer & Mester, 2005) However, DMO’s should demonstrate the efficiency and effectiveness of the quality management system through using it as a tool themselves. Narayan et al. researched the dimensions of the service quality in tourism, with the focus of the research model on the quality of the tour as perceived by the tourists. (Narayan, Rajendran, Chandrasekharan, & Gopalan, 2009 Vol. 20 No. 1) Milfelner et al. confirmed theoretical postulate that hotel
service quality is a two-dimensional concept with cognitive and emotional aspects. Feelings and emotions play an important role in the purchasing behavior of tourists. (Milfelner, Snoj, & Pisnik Korda, 2011)

Hollebeek developed a framework for understanding and classifying the customer brand engagement and brand loyalty segmentation. The author proposes 4 types of customers: 1. Apathists (high loyalty, low engagement), 2. Exits (low loyalty, low engagement), 3. Activitists (high loyalty, high engagement), and 4. Variety seekers (low loyalty, high engagement). (Hollebeek, 2011 Vol. 27 No. 7-8)

Dolnicar et al. found that key drivers of the airline loyalty are membership of the airline loyalty program and a status of the airline as a national carrier. However, they also found a distinction between the business travelers and self-bookers, where self-bookers are less loyal because they are more influenced by the ticket price. Casual fliers were also found to be more influenced by the opinion of friends about the airline than frequent flyers. On the other hand, behavioral loyalty of the frequent flyers is possibly deal loyalty. It means that it is motivated by high payoff of membership, rather than emotional bond with the company. (Dolnicar, Grabler, Grün, & Kulnig, 2011) An open question remains whether business travelers react better than other groups of tourists to city cards programs, as well as it is the case in airline loyalty programs? The difference, when translating these findings to the destination loyalty compared to airline loyalty is that the switching costs are much higher for destinations. It means that destination needs more promotional efforts than an airline in order to position itself in the mind of consumers. However, as Kozak and Rimmington noticed, every destination has its own competitive set, and should position it’s offer in the international market accordingly. (Kozak & Mike, 1999)

**EXPERIMENTAL RESEARCH**

*Delimitations*

The primary research was conducted during summer season only, so the data should be approached with caution. The samples were, however, weighted according to the official statistics in order to gain more reliable data.

Regarding the research on perceived cultural difference, it was not included, since those aspects are less in control of the DMO. The focus was on the issues that are under direct responsibility of the DMO.

The primary research data were collected only for tourist satisfaction as a central marketing tool, and not for service quality, brand loyalty or brand image, because the focus was on detailed quantitative understanding of tourists’ satisfaction in Serbia. On the other hand,
detailed methodological recommendations are given for future research of other concepts such as service quality, brand loyalty and brand image, and their relation to tourist satisfaction.

Research goals

The research goals was defined through the formulation of 3 research questions:

RQ1: What are the principal components of tourist satisfaction in Serbia?
RQ2: What is the mutual relation between service quality, tourist satisfaction, destination (brand) loyalty and destination (brand) image?
RQ3: What are the essential elements of the service quality, destination (brand) loyalty, and destination (brand) image?

Research design

The research was designed to answer Research Question 1 (RQ 1) through the use of primary data PCA (Principal Component Analysis). Research questions 2 (RQ2) and 3 (RQ3) were designed to be answered through the use of secondary sources.

The primary data was collected through conducting Serbia Guest Survey 2011. The survey has been conducted as a component of the EU financed project: “Support to implementation of the National Strategy for Tourism” 07SER01/23/11.

The questionnaire was filled in by tourist themselves, with the instruction and help of the interviewers. The interviewers were positioned on central locations on each tourist destination. Target group were domestic and foreign tourists in Serbia, aged over 14 years, staying overnight, but no longer than 30 days (holiday trip), or 90 days (business trip). The database was weighted by overnight stays and country cluster (Western Europe and the rest of the world, CEE, Western Balkans, Serbia) based on official statistics.

Total sample was 1500 respondents on the following locations in Serbia: Belgrade, Novi Sad, Zlatibor, Guca, Kopaonik, Fruska Gora, Zasavica, Vrdnik, Erdevik, Sremska Mitrovica, Divcibare, Valjevo, Banja Vrujci, Sokobanja, Vrnjacka banja, Banja Koviljaca, Niska banja, Nis, Subotica, Vrsac, Palicko jezero, Belocrkvanska jezera, Srebrno jezero, Ecka, Skorenovac.

The fieldwork was done only for the summer season: from July 11 2011 to September 5 2011.

The 14 basic factors researched, which influence and build up the tourist satisfaction, were the following: Nature, Culture, History, Safety/Security, Food, Accommodation, Nightlife, Professionalism of service, Customer Orientation, Hospitality of population, Cleanliness, Transportation, Attractions, and Variety of Offer.
FINDINGS

Report of findings for RQ1

The proposed elements of tourist satisfaction in this research were:

Table 1: SPSS PCA output—Total variance explained

<table>
<thead>
<tr>
<th>Component</th>
<th>Initial Eigenvalues</th>
<th>Extraction Sums of Squared Loadings</th>
<th>Rotation Sums of Squared Loadings</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total % of Variance</td>
<td>Cumulative %</td>
<td>Total % of Variance</td>
</tr>
<tr>
<td>1</td>
<td>6.293</td>
<td>44.949</td>
<td>44.949</td>
</tr>
<tr>
<td>2</td>
<td>4.454</td>
<td>31.815</td>
<td>76.764</td>
</tr>
<tr>
<td>3</td>
<td>1.936</td>
<td>13.830</td>
<td>90.594</td>
</tr>
<tr>
<td>4</td>
<td>1.093</td>
<td>7.810</td>
<td>98.404</td>
</tr>
</tbody>
</table>

Extraction Method: Principal Component Analysis

Table 2: SPSS PCA Output—Component Matrix

<table>
<thead>
<tr>
<th>Component</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nature</td>
<td>.768</td>
<td>-.095</td>
<td>-.083</td>
<td>.626</td>
</tr>
<tr>
<td>Culture</td>
<td>-.723</td>
<td>.521</td>
<td>.268</td>
<td>.358</td>
</tr>
<tr>
<td>History</td>
<td>-.536</td>
<td>.495</td>
<td>.643</td>
<td>.127</td>
</tr>
<tr>
<td>Safety/Security</td>
<td>.917</td>
<td>.032</td>
<td>.207</td>
<td>-.188</td>
</tr>
<tr>
<td>Food</td>
<td>.185</td>
<td>.686</td>
<td>-.663</td>
<td>-.222</td>
</tr>
<tr>
<td>Accommodation</td>
<td>.283</td>
<td>.630</td>
<td>-.709</td>
<td>.059</td>
</tr>
<tr>
<td>Nightlife</td>
<td>-.429</td>
<td>.795</td>
<td>.285</td>
<td>-.319</td>
</tr>
<tr>
<td>Professionalism of Service</td>
<td>.737</td>
<td>.502</td>
<td>.287</td>
<td>-.348</td>
</tr>
<tr>
<td>Customer Orientation</td>
<td>.564</td>
<td>.759</td>
<td>.294</td>
<td>-.006</td>
</tr>
<tr>
<td>Hospitality of Population</td>
<td>.796</td>
<td>.570</td>
<td>.146</td>
<td>-.020</td>
</tr>
<tr>
<td>Cleanliness</td>
<td>.949</td>
<td>-.047</td>
<td>.298</td>
<td>.050</td>
</tr>
<tr>
<td>Transportation</td>
<td>.861</td>
<td>.298</td>
<td>.020</td>
<td>.408</td>
</tr>
<tr>
<td>Attractions</td>
<td>-.715</td>
<td>.641</td>
<td>.050</td>
<td>.258</td>
</tr>
<tr>
<td>Variety of offers</td>
<td>-.323</td>
<td>.879</td>
<td>-.310</td>
<td>.103</td>
</tr>
</tbody>
</table>

Extraction Method: Principal Component Analysis
a. 4 components extracted
Su et al. hypothesized and tested a model on the relation between service quality, tourist satisfaction and destination loyalty. They found that tourist satisfaction mediates the effect of service quality on destination loyalty. (Su, Cheng, & Huang, 2011) This model is interesting for its contribution to the understanding of the relation between service quality, tourist satisfaction and destination loyalty.

The proposed mediating role of tourist satisfaction (between service quality and brand loyalty) by Su et al. (Su, Cheng, & Huang, 2011) is not always present in the tourism industry. As shown in the Figure 1 below, the research has confirmed tourists travel to Serbia for various reasons, not all of them directly connected to satisfaction with the destination. Also, Labrecque et al. emphasize that brand loyalty can be result of different motivators, from conformity to escapism, both with high involvement and brand attachment. Brands can be very successful in offering sanctuary and escapism from the everyday life, such as in the case of Harley-Davidson motorbikes. (Labrecque, Krishen, & Grzeskowski, 2011 Vol. 18. 7.) Kabiraj and Shanmugan confirm that satisfied customer and loyal customer are not necessarily the same thing. (Kabiraj & Shanmugan, 2011) Ha and John agree that merely focusing on the satisfaction provides an incomplete picture for the development of brand loyalty. (Ha & John, 2010 Vol. 30 No. 7) For Kuenzel and Vaux Halliday, one of the most important factors influencing brand loyalty are reputation and brand personality congruence which affect brand identification. In their view, brand identification is a central mediator and facilitator driving the brand loyalty. (Kuenzel & Vaux Halliday, 2010 Vol. 18) The WTTC forecasts that attractive brand im-

![Figure 1: Reasons for visiting Serbia](image-url)
age will be crucial for Serbia to succeed in tourism in the short- and medium-term. (World Travel and Tourism Council, 2013) Therefore, we expanded the model proposed by Su et al. (Su, Cheng, & Huang, 2011), and included the brand image in the FIGURE 2 below.

**FIGURE 2: Relationship between tourist satisfaction and destination loyalty, image and DMO service quality**

*Adapted from (Su, Cheng, & Huang, 2011) and expanded with original research*

**Report of findings for RQ3**

**Service quality**

The service quality components, as proposed by CAF (Common Assessment Framework), are: 1. Leadership, 2. Strategy and Planning, 3. People, 4. Partnerships and resources, 5. Processes, 6. Citizen/customer oriented results, 7. People results, 8. Social responsibility results, 9. Key performance results. The CAF is a quality management framework built primarily for public institutions such as DMO (Destination Management Organization), however it can also be used by other types of institutions. (European CAF Resource Centre, 2013) The CAF model was then expanded with Laessers proposals for DMO classification (Bieger & Laesser, 1998) and Risk Management system assessment was introduced as an addition. (O’Connor & O’Leary, The Importance of Celebrity Association in Tourism Destination Branding, 2012 Vol. 3 No. 3) O’Connor et al. emphasize that the extent of damage a destination can suffer after a crisis (such as terrorist attack) depends on the destinations adaptability and on the response of the industry. (O’Connor, Rose Stafford, & Gallagher, 2008) Therefore, a
Crisis Management System should be an essential of the DMO service quality model.

In order to maximize the effectiveness of the promotional efforts, Bieger and Laesser recommend the categorization of local and regional DMO’s according to the quantitative criteria. The categorization should include the following criteria: markets that DMO serves (domestic, international, global), size of the budget, and number of overnights. They also recommend using 50% of the budget for promotional activities. In that way, DMO’s can be aware of the group/level they belong to and adapt its activities and budgets. (Bieger & Laesser, 1998)

The quantitative criteria for DMO classification could also be expanded to include marketing metrics such as tourist satisfaction and brand equity in order to effectively manage destination brand. As Mamula noticed, brand valuation (through marketing metrics) represents an efficient tool for integrating both financial and market criteria in brand equity management. (Mamula, 2012 Vol. 43 No. 1) Since Internet has become the primary source of information about the destination, special attention should be given to Internet and social media. (Paunovic, 2013) Modern brand research efforts should include online content analysis (collection description and analysis of images and text). (United Nations World Tourism Organization, 2008) Dolnicar, Rossiter et al. have found in their research that brand research questionnaires should include forced binary questions in order to yield optimal results. Industry practice of using “pick any” measure, or academic approach of using 7-point scale are yielding suboptimal results. (Dolnicar & Rossiter, „Pick Any“ Measures Contaminate Brand Image Studies, 2012) All of the suggested tools are useful in benchmarking citizen/customer oriented results as well as key performance results as defined by the CFA (Common Assessment Framework) for quality management in public institutions. (European CAF Resource Centre, 2013)

Research conducted by Hassan concluded that destination marketing has gone beyond on-line marketing. Social media tools are imperative for modern DMO communication and promotion. Contemporary DMO’s need carefully prepared and planned social media positioning strategies. (Hassan, 2013 Vol. 4 No. 1) Similarly, research conducted by Al-Balushi and Atef concluded that traditional hospitality and tourism information sources (brochures, booklets, and catalogues) are diminishing and are replaced by online social media. (Al-Balushi & Atef, 2013)

Destination (brand) loyalty

Richard ad Zhang found that in the case of travel agency brand loyalty, affective commitment mediates between customer satisfaction and customer loyalty. (Richard E. & Zhang, 2012) However, this concept is not applicable
on the case of the destination, because firstly brand switching costs are higher and secondly affective commitment cannot play such an important role.

The model for destination loyalty used in the research was the model proposed by Su et al. (Su, Cheng, & Huang, 2011). However, their proposed model for destination loyalty (place dependence, place identity and behavioural intention) was expanded to include the uniqueness of the destination and destination authenticity. A tri-dimensional approaches to brand loyalty proposed by Worthington et al. (emotional, cognitive, behavioral), and Suhartanto et al. (attitudinal, conative, behavioral) were too abstract and simplistic for application on the destination loyalty benchmarking. (Worthington, Russell-Bennet, & Haertel, 2010) (Suhartanto, Clemes, Dean, & Brien, 2011 Vol. 3 No. 3)

UNWTO estimated that there are around 200 country destinations in the world, with even larger number of local destinations. In addition the number of destinations and tourism arrivals on the global level are growing year to year. (UNWTO (World Tourism Organization) and ETC (European Travel Commission), 2011) This means that tourism is becoming more accessible, which in turns means that switching costs for consumers are lower and lower each year. Therefore, destination brand loyalty measurement should include uniqueness of the destination as a component in order to understand the relation of the destination to other destinations. As Lam et al. noted, modern consumers are building their social identity through the brand purchase decisions. In order to understand the contemporary competitive environment, marketer has to view the brand in relation to other brands on the market in the context of Social Identity Theory. (Lam, Ahearne, Hu, & Schillewaert, 2010 Vol. 74) Roget et al. researched the effect of the authenticity of destination on the brand loyalty. They found that there is highly correlated positive relationship between authenticity and destination brand loyalty. (Roget, Novello, & Fernandez, 2013) The case of Kazakhstan, presented by Tiberghien et al. calls for the inclusion of authenticity into destination brand equity, through the development and promotion of eco-cultural tourism. The process of destination brand building has to include the local and indigenous people, rather than adopt top-down approach. (Tiberghien, Garkavenko, & M., 2013 Vol. 4 No. 1) Therefore, the authenticity was included into the DMO benchmarking model proposal.

**Destination image**

Researching and understanding the brand image components is important because it is a prerequisite for DMO promotional efforts. This is why National tourism organizations are adopting marketing plans with brand image management based on market surveys. As Plumed Lasarte presented in the case of Turespana (Spanish tourism organi-

<table>
<thead>
<tr>
<th>DMO Service quality</th>
<th>Destination (brand) loyalty</th>
<th>Destination (brand) Image</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Leadership</td>
<td>• Place dependence</td>
<td>• Old-fashioned/ dusty vs.</td>
</tr>
<tr>
<td>• Strategy and Planning</td>
<td>• Place identity</td>
<td>Aesthetically attractive</td>
</tr>
<tr>
<td>• People</td>
<td>• Behavioral intention</td>
<td>• Boring vs. Inspiring</td>
</tr>
<tr>
<td>• Partnerships and resources</td>
<td>• Uniqueness of the destination</td>
<td>• Relaxing vs. Stressful</td>
</tr>
<tr>
<td>• Processes</td>
<td>• Authenticity</td>
<td>• Hospitable vs. Unfriendly</td>
</tr>
<tr>
<td>• Citizen/customer oriented results</td>
<td></td>
<td>• Family friendly vs. Alternative</td>
</tr>
<tr>
<td>• People results</td>
<td>• Social responsibility and environmental sustainability results</td>
<td>• Authentic/ original/real vs. fake</td>
</tr>
<tr>
<td>• Social responsibility and environmental sustainability results</td>
<td>• Key performance results: degree of market internationalization (dometic international, global), DMO budget/overnights ratio, percentage of budget used for promotional activities,</td>
<td>• Overrun vs. Enjoyable</td>
</tr>
<tr>
<td>• Key performance results: degree of market internationalization (dometic international, global), DMO budget/overnights ratio, percentage of budget used for promotional activities,</td>
<td>• Use of social media</td>
<td>• Convivial vs. cold</td>
</tr>
<tr>
<td>• Use of social media</td>
<td>• Crisis Management System</td>
<td>• Easygoing/ unconventional vs. Elitist</td>
</tr>
<tr>
<td>• Crisis Management System</td>
<td></td>
<td>• Conservative vs. innovative</td>
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</tbody>
</table>

**FIGURE 3: Elements of DMO service quality, destination (brand) loyalty and destination (brand) image**

Adapted from (European CAF Resource Centre, 2013), (Su, Cheng, & Huang, 2011), (Bieger & Laesser, 1998) and expanded with original research
Destination branding is a daunting task, even for experienced marketing professionals, because of the complexity of the process, and the variety of public and private stakeholders involved. (Khanna, 2011) It is especially challenging in the post-conflict societies, such as all of the Ex-Yu countries, including Serbia. Gould emphasized the importance of rebranding and giving a destination brand new boost in the post-conflict societies. The case of Northern Ireland shows that post-conflict societies have challenges in both creating the national identity, and moving on from the negative images. (Gould, 2011) The tourism marketing in the South-East Europe has focused in the previous years, and still focuses on distancing from the term Balkan. Slovenian tourism has focused on the market segmentation approach, with targeted messages to promote the 5 tourism clusters. Croatia’s tourism embraces the Mediterranean identity, and promotes mainly the coastal area. (Hall, 2010) Serbia’s tourism, similarly to Croatia’s tries to distance itself from the term Balkan and promotes itself as the country on the Danube. As O’Connor and O’Leary point out, celebrity association is established as one of the most popular tools of contemporary advertising. However, before engaging in the process of choosing the celebrity and building strong associations between the brand and the celebrity, DMO needs to understand the perceived image characteristics of both the destination and the celebrity. (O’Connor & O’Leary, The Importance of Celebrity Association in Tourism Destination Branding, 2012 Vol. 3 No. 3) Suarez proposes using complete sentences for benchmarking the image components (e.g. It’s a rustic place with quality accommodation.), with 7-point Lickert scale. (Suarez, 2011 Vol. 2 No. 1) However we proposed using 40 simple words to denote the destination image. They are paired in 20 dichotomies in order to avoid tiredness with the questionnaire, with 7-point Lickert scale (safe-dangerous, boring-inspiring, etc.).

ANALYSIS OF FINDINGS

PCA results:

- Factor 1: Cleanliness (0.95), Safety/security (0.92), Transportation (0.86), Hospitality of population (0.80), Nature (0.79), Professionalism of service (0.74), Culture (-0.72), Attractions (0.72) (explains 44.95% of variance)
- Factor 2: Variety of offers (0.88), Nightlife (0.76), Customer orientation (0.76), Food (0.69), Attractions (0.64), Accommodation (0.63) (explains 31.82% of variance)
- Factor 3: Accommodation (-0.71), Food (-0.67), History (0.64) (explains 13.83% of variance)
- Factor 4: Nature (0.63) (explains 7.8% of variance)

Factors with eigenvalues over 1 were considered important and selected. All of the factor loadings that were under 0.6 were disregarded. The Principal Component Analysis demonstrated that the factors that account for around 45%, and are thus the most important ones are: cleanliness, safety/security, transportation, hospitality, nature, professionalism of service, culture and attractions. It is interesting to note that category professionalism of service (or service quality, as discussed earlier) has very strong influence on the tourism satisfaction.

The one category that has the least influence on the tourism satisfaction is: history. It is the only category that shows only in the category 3, which demonstrates its weak influence on the tourist satisfaction. On the other hand, similar categories like culture and attractions influence very strongly tourist satisfaction.

Tourist satisfaction has cognitive and emotional aspects which cannot be easily measured. As evidenced in the tourism literature and our primary research, the essential part of the tourist satisfaction is always satisfaction with the human contact, and the perception of the people on the destination. Those components are: safety, hospitality, and professionalism.

Tourist satisfaction, although one of the most important benchmarks for destination competitiveness, should not be considered without consideration of other related marketing tools such as destination loyalty, destination image and service quality. Moreover, mediating role of tourist satisfaction between service quality and destination loyalty is well documented in the literature.

DMO service quality should be managed in a transparent way in order to track performance of one of the single strongest factors influencing tourist satisfaction. There are many quality management initiatives today, however one of the most suitable ones for public sector is CAF—Common Assessment Framework.

Destination image and loyalty are tools that help DMO’s focus its promotional efforts effectively, and position its destination brand in the minds of tourists and potential tourists. However, as evidenced in the primary research, the influence of the tourist satisfaction on the brand loyalty is sometimes of secondary importance (e.g. when people visit relatives and friends). On the other hand DMOs are not only interested in the repeat travel of loyal tourists, but also in attracting new tourists and exploring untapped markets.
FIGURE 4: Principal Component Analysis Results

CONCLUSIONS AND RECOMMENDATIONS

Satisfaction of tourists with the different aspects of the tourism offer is crucial for profound understanding of the tourism demand. In contrast to the market segmentation approach, analysis of satisfaction focuses more on the perceived characteristics of the destination. It can go deeper into the perception of the tourists, and help understand the perceived strengths and weaknesses of the destination. It enables evidence based creation and/or positioning of the brand in the minds of consumers.

Factors like cleanliness, safety/security, transportation, hospitality of population, nature, professionalism of service, culture and attrac-
tions all influence greatly tourist satisfaction. These factors should be given priority in the development of tourist products. On the other hand, history as a separate category influences the least tourist satisfaction. It should be integrated into other categories, like culture and attractions in order to add value and contribute to tourist satisfaction effectively.

Future research of tourist satisfaction should also include detailed analysis of brand image, brand loyalty and DMO service quality. DMO service quality should be an important subcategory of general service quality satisfaction in the questionnaire, in order to track DMO performance and reach.

REFERENCES


PREFERENCE FOR DOMESTIC OFFER IN TOURISM AMONG STUDENTS IN CENTRAL EUROPEAN COUNTRIES

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ABSTRACT: Domestic tourism remains a very interesting and big part of tourism global phenomenon being at the same time rather unknown and not often researched. The research note presents the attitude of two European Union member countries inhabitants – Poland and the Czech Republic and the aim is to present the scale of the preference for domestic tourism observed also in such countries. The main research question was if tourists are eager to evaluate domestic offer more preferably than the ones from abroad. The verification was made on the basis of simple research conducted among students from the Czech Republic and Poland. The results of the study revealed that in each case Czech respondents valued their country higher than the Polish ones. Also Poland scored higher when evaluated by the Polish respondents than by the Czech ones in four kinds of tourism. Additionally, evaluations made by Polish and Czech respondents regarding other countries are very similar. Most of detected differences were statistically important. Potential reasons for the detected situation are discussed. These are, among the others, knowledge of domestic offer, language barrier and tradition. Keywords: domestic tourism, Poland, Czech Republic.

INTRODUCTION

Domestic tourism remains a very interesting and big part of tourism global phenomenon—being at the same time rather unknown and not often researched (Cater, 2004, p. 489). Our knowledge on domestic tourism worldwide is limited also due to the organization...
of international tourism statistics (Jansen-Verbeke and Spee, 1995). The most cited statistical data compendium on tourism presented by UNWTO deals only with international tourism which is justified by the technical possibility as well as by economic importance of international tourism movement (Pearce, 1989). Also international tourism is often perceived as having much bigger economic importance, which might lead in several cases to the situation in which the importance of domestic tourism is ignored (Wang and Qu, 2004). Another effect of this focus on international tourism is an existence of a big gap in the scientific knowledge on domestic tourism. This knowledge is often anecdotal and based on common observations. According to Page, domestic tourism remains the dominant form of activity in terms of the volume of traffic (Page, 2004, p. 149). Common observation allows to state that there are numerous destinations worldwide depending much more on domestic tourism demand than on the international one. This refers mainly to remote areas, but also to many big resorts and cities. Also, the situation is different in different countries. The bigger country and the more isolated from the outside, the bigger is importance of domestic tourism. This situation was mirrored in Bigano et al (2007) research which revealed that the top four destinations for domestic tourism are in the USA (California, Florida, Texas and New York), followed by Sichuan and Beijing in China and Madhya Pradesh in India and the rest of the top 25 is mostly China, India and the USA. This could be the reason why scientific research on domestic tourism is mostly concentrated on countries like China (Wen, 1997; Wu, Zhu and Xu, 2000), USA (Witt, Newbould and Watkins, 1992), Japan (Ehrentraut, 1992) or Australia (Huybers, 2003; Athanasopoulos and Hyndman, 2008). European Union combined of many, usually not big countries with extremely low barriers for travelling abroad could be treated as the opposite case (Jansen-Verbeke and Spee, 1995). But also in Europe situation is differentiated in different places. According to Bigano et al. (2007) the west of England and Wales, the Atlantic coast of France, northern Germany and Bavaria are the most important destinations for domestic tourists in Europe, while Krete, Mallorca and North Netherlands attract much more international tourists than domestic ones.

The paper presents the attitude of two European Union member countries inhabitants – Poland and the Czech Republic and the aim is to present the scale of the preference for domestic tourism observed also in such countries.

Even though there are some differences in the size of the country and natural conditions between Poland and the Czech Republic, domestic tourism plays an important role in both countries. According to the data gathered by Polish Main Statistical Office (www.stat.gov.pl)
and Institute of Tourism in Warsaw (www.intur.com.pl) the level of participation in tourism of Poles is about 50% while only about 15% participate in outbound trips. The difference between those numbers presents the scale of domestic tourism. Similarly, according to the Czech Statistical Office (www.czso.cz) the number of domestic tourist trips is almost four times bigger than the number of outbound trips of citizens of the Czech Republic.

DOMESTIC TOURISM AND CONDITIONS OF ITS DEVELOPMENT

Tourist’s decision on participating in domestic or international tourism is influenced by many different factors which might be different in different countries. In islanders countries like Australia, New Zealand or Ireland there are natural constraints to travel abroad. In other countries like China there might be political inhibitors of international tourism demand. Also smaller countries have more international departures (Bigano et al., 2007). People living in big countries with differentiated landscape have fewer reasons to travel abroad, as they can find tourism attractions of many kinds inside their country. This is definitely true regarding USA or Canada, but also France or Italy. According to Bigano et al. (2007) countries with larger and richer populations have more domestic tourists. Another factor is connected with national policy. The perfect example can be found in France where within social policy domestic holiday trips are supported.

Apart from more general factors connected with all or many inhabitants of the country, an important role is also played by an individual, mostly psychological and sociological factors. The language barrier, attitude to foreigners and national heritage, lack of knowledge about attractions located abroad might additionally stimulate domestic demand. Usually, also perception of personal safety is connected with domestic tourism. However Israeli tourists might be pointed out as the opposite example. Because of low level of safety in their country they much more easily accept risk during their holidays than tourists from Western countries and visit much more often places perceived by other tourists as unsafe (Fuchs and Reichel, 2011).

Finding the proper balance between domestic and international tourism movement is important for tourist destinations. The difference between them is visible not only from the demand side point of view. Simple substitution of one of them by the other one is not possible as their preferences are differentiated (Bigano et al., 2007). International tourism tends to concentrate in the most
important and most famous tourist sites like big cites (Bigano et al., 2007), well-known mass resorts while domestic tourists much more often visit remote destinations with attractions of moderate importance (Athanasopoulos and Hyndman, 2008). The same situation can be observed regarding tourism facilities. Tourists from abroad usually look for high standard hotels while domestic ones more often chose not categorized and smaller facilities. However, the situation remains changeable between particular countries.

THE RESEARCH METHODOLOGY AND RESULTS

The main research question was if tourists are eager to evaluate domestic offer more preferably than the ones from abroad. The verification was made on the basis of simple research conducted among students from the Czech Republic and Poland. In both countries about 100 of students were questioned – in Poland it was 119 students of Katowice School of Economics (www.gwsh.pl/kse) and in the Czech Republic 100 students of Mendel University in Brno (www.mendelu.cz). Statistical error of study sample is equal to 6.5% at a confidence level of 0.95. In the questionnaire students were provided with a short list of chosen countries from Central Europe, namely: Austria, Croatia, the Czech Republic, Hungary, Italy, Poland, Slovakia and Slovenia. Their task was to point and put in order five best countries from the list to spend five kinds of holidays: water relaxation (typical 3S tourism), summer mountain holidays, winter mountain holidays, rural and wine tourism and SPA and wellness stays.

The authors used the tests of significance to research the difference between means from two separate groups of subjects (nations). In the paper the non-parametric test Mann-Whitney (Wilcoxon, 1945) is used, because the sample data is not normally distributed (Shapiro and Wilk, 1965; Corder and Foreman, 2009), and it cannot be transformed to a normal distribution by means of a logarithmic transformation. The significance level for using hypothesis tests is a value for which a P-value less than or equal to is considered statistically significant. P-values in this research is 0.05.

Results of the survey are presented in figures 1-5. It is easy to observe that evaluations made by Polish and Czech respondents are very similar and Poland and the Czech Republic are exceptions. In each case Czech respondents valued their country higher than the Polish ones. Also Poland scored higher when evaluated by the Polish respondents than by the Czech ones in four kinds of tourism. Almost in all cases p is significant for Poland and for the Czech Re-
public and is not significant for other countries. However, the difference in the evaluation of rural tourism and enotourism offers in Poland between the Poles and the Czechs is not statistically significant (p = 0.8044). It is worth noticing that even in few examples in which p is statistically significant for countries other than Poland and the Czech Republic, the difference is not important for the general interpretation of the results. This is the case of summer mountain tourism in Austria. Even though Polish respondents evaluated it lower than the Czech ones, still Austria holds its position of destination number one also regarding Polish evaluations. Similarly, significant p can be found in the evaluation of Croatia as a summer mountain destination. Still when evaluated both by Polish and Czech respondents its score was very low.

Analyzing summer mountain holidays significant similarity in evaluation of particular countries and big differences in perception of Polish offer might be pointed out. Poles evaluated the Polish offer much higher than Czechs (fig. 1).

Figure 1. Comparison of country assessments by respondents in Poland and Czech Republic in the offer of summer mountain hiking
Similar situation might be observed in the case of winter sports – Czechs evaluated the offer of their country higher than Poles as well as Poles appreciated more the Polish offer than Czechs did (fig. 2).

![Figure 2: Comparison of country assessments by respondents in Poland and Czech Republic in the offer of winter sports](image)

Water relaxation offer has bigger differentiation of evaluations that it was observed above. The highest ranks were given to Italy and Croatia. Differentiation is observed in the case of Polish, Czech and Austrian offer: Czechs evaluated higher Czech and Austrian offer while Poles evaluated Polish offer several times better than it was perceived by Czechs (fig. 3).

The biggest differences in evaluations might be noticed in the case of SPA tourism. Czechs appreciated much the offer of Hungary, Austria and the Czech Republic, while Poles gave the priority to the offer of Italy, Croatia and Poland (fig. 4).

Rural tourism was evaluated in the two countries quite differently and in different way than it was observed in the other forms of tour-
ism. Poles appreciated more the offer of Hungary, Italy, Croatia and Slovenia. The Czechs evaluated higher the offer of the Czech Republic, Slovakia and Austria. Interesting aspects here is almost identical evaluation of Polish offer (fig. 5).

Figure 3: Comparison of country assessments by respondents in Poland and Czech Republic in offer of holidays on the water
Summing up, it is possible to state that the differences in the evaluations made by Poles and Czechs are especially visible regarding summer and winter mountain holidays and water relaxation. Somehow different are evaluations of countries regarding rural tourism and SPA and wellness tourism. In these two examples, almost all countries are evaluated differently by Polish and Czech respondents and the p coefficient usually has very low values. Still, the preference for the domestic offer is visible, and the only exception is the score given by Czech respondents to Polish rural tourism offer, which is almost the same like a similar mark given by Poles. Very probable explanation of this part of results might be found in the nature of the research sample. Young people answering questions probably had much more experience in mass forms of tourism and less knowledge about kinds of tourism connected often with families with children (rural tourism) or with elderly people (SPA and Wellness). This could lead to more accidental answers. This remark is partially justified by the standard deviation which is much higher for the evaluation of rural tourism and SPA and wellness than for winter sports and water relaxation (table 1).
Figure 5: Comparison of country assessments by respondents in Poland and Czech Republic in the offer of rural tourism and enotourism

Table 1. Standard deviations for the evaluation of domestic offers

<table>
<thead>
<tr>
<th></th>
<th>Summer mountains</th>
<th>Winter mountains</th>
<th>Water relaxation</th>
<th>Spa</th>
<th>Rural and wine tourism</th>
</tr>
</thead>
<tbody>
<tr>
<td>Austria</td>
<td>1,89</td>
<td>1,12</td>
<td>0,86</td>
<td>2,04</td>
<td>1,71</td>
</tr>
<tr>
<td>Croatia</td>
<td>1,70</td>
<td>0,94</td>
<td>1,10</td>
<td>1,78</td>
<td>1,60</td>
</tr>
<tr>
<td>Czech Republic</td>
<td>1,66</td>
<td>1,32</td>
<td>0,73</td>
<td>1,54</td>
<td>1,14</td>
</tr>
<tr>
<td>Poland</td>
<td>1,70</td>
<td>1,31</td>
<td>1,07</td>
<td>1,71</td>
<td>1,61</td>
</tr>
<tr>
<td>Slovakia</td>
<td>1,61</td>
<td>1,27</td>
<td>1,07</td>
<td>1,75</td>
<td>1,45</td>
</tr>
<tr>
<td>Slovenia</td>
<td>1,66</td>
<td>1,39</td>
<td>1,20</td>
<td>1,48</td>
<td>1,72</td>
</tr>
<tr>
<td>Italy</td>
<td>1,80</td>
<td>1,47</td>
<td>1,01</td>
<td>1,85</td>
<td>1,85</td>
</tr>
<tr>
<td>Hungary</td>
<td>0,90</td>
<td>0,84</td>
<td>1,09</td>
<td>1,94</td>
<td>1,75</td>
</tr>
<tr>
<td>Mean</td>
<td>1,61</td>
<td>1,21</td>
<td>1,01</td>
<td>1,76</td>
<td>1,60</td>
</tr>
</tbody>
</table>

Presented results justify statements that, at least in case of Polish and Czech tourists, preferable treatment of the domestic tourism offer is very probable. An interesting question is though, what the reason is for such a situation. Looking for only emotional attachment to the do-
mestic products and that kind of “market patriotism” seems to be not satisfactory. Quite probably, there is no the single reason, but searching for a pack of them is necessary. Analyzing particular answers of respondents it is visible that offers which are known and often chosen by the citizens of the country were estimated very high. In the presented research, this could be the case of Croatia, very often visited by Czech tourists, which was, regarding its real tourism potential, overestimated by the Czech students. Most visits in Croatia by Czech tourists are connected with the sea relaxation, and high evaluation of Croatian attractiveness in regards of this product is obvious. Still, also other forms of tourism in Croatia were estimated highly, even surprisingly highly regarding winter sports. Oppositely, Slovenia visited rather rarely by both Polish and Czech tourists remains unknown and was probably the most underestimated country in the research when compared to the existing tourism potential. Definitely, domestic offer is one of, and probably, the best known offer for tourists. This is in accordance to the previous research which proved that tourists’ knowledge is a factor enhancing destination’s image (Milman and Pizam, 1989; Prebensen, 2007). The links between knowledge, image and market preference for domestic and other well-known offer might be also used for the interpretation of Slovak results in the presented research. Slovakia is a country commonly visited and relatively well known by Polish tourists. This was confirmed in the results. Still, in all cases results achieved by the Slovak offer were higher in the Czech Republic. This could be explained by the common Czechoslovak heritage and for the Czech citizens Slovakia is not “totally foreign” country.

Another interesting explanation of the preferable attitude to the domestic offer might be the language barrier. People might tend to stay in their own country as they are afraid of going abroad and being not understood. In the earlier research language barrier was detected to be one of the most important factors why Polish skiers do not ski abroad (Zemla, 2005). Looking from this perspective to the results, the presented research is interested because of two reasons. First, both questionnaires were distributed in post-communist countries where general knowledge of foreign languages is not very high. In this context we might treat the language barrier as an important factor explaining achieved results. Still when considering that the respondents were students whose knowledge of languages is supposed to be high, the importance of this factor seems to be much lower. Lack of a language barrier might be also used to explain the high results of Slovakia in research conducted in the Czech Republic.

Finally, the reason to spend holidays in own country might be an unspecified tradition or habit. It was also detected in the earlier cited research as an important reason for 35% of Polish skiers to ski in Po-
land (Żemła, 2005). Similar phenomenon might be observed also in the presented research, especially in the context of forms of mass tourism, namely water relaxation, winter and summer mountain holidays.

LIMITATIONS AND FUTURE RESEARCH

The topic of preference for domestic offer needs to be more researched in the future. Presented results were achieved somehow accidentally. The questionnaire was developed for a very different purpose which was the students’ exercise in the field of international tourism marketing and the task was to promote Slovenia as a tourism destination in Poland and the Czech Republic. The choice of Slovenia as a researched destination influenced the list of researched forms of tourism and compared countries. The five chosen forms of tourism were stated as the most typical for Slovenian offer and might not be necessarily perceived as the most important ones for Poland and the Czech Republic. For example, for these two countries sightseeing trips and city breaks are very important and were not considered in the questionnaire. Also, the list of compared countries was developed as a list of potential competitors of Slovenia on Polish and Czech market. Besides these statements, one should notice that results achieved in the chosen researched countries and forms of tourism, especially summer and winter mountain holidays and water relaxation, which are very typical also for Poland and the Czech Republic, are so clear that there is no reason to assume that adding another form of tourism to the list would change the view radically.

Another direction of future research over this topic is its repetition on the bigger and more differentiated sample. A relatively small sample was projected mainly for the educational purpose, but still the level of statistical significance of the results is satisfactory. Also, the question is whether the population of students might be representative for the whole society. However, potential inconsistency between those two groups seems to be rather the point strengthening the conclusions presented in the paper, as students, especially students dealing with tourism, are supposed to be one of the most open and mobile groups in the society, which means that if students present such a strong preference for the domestic offer, this preference observed in the whole society would be even much stronger.

However, the main area of future research of the topic should be extending the survey into other, at least European, countries. Are Polish and Czech tourists different than those from other European countries? So far, no signs of the amplified preference for domestic tourism were found neither in scientific nor statistical research in those coun-
tries which indicates that similar conclusions like the presented ones in the paper, might regard many other countries.

SPA and wellness and rural tourism turned to be kinds of tourism difficult to estimate and rather unknown for students. It is easy to assume that many respondents have never participated in tourism of these kinds and their answers are to some extent accidental.

CONCLUSION

Presented results proved that surveyed Polish and Czech students tend to evaluate the domestic offer preferably high. Both Polish and Czech students evaluated much higher the offer of their own country in comparison with students from the neighboring country. Important is the fact that small differences were observed in the examples of rural tourism and SPA tourism which are not very popular, especially among students, while huge differences and visible over-estimation of attractiveness of domestic offer appeared in the case of all mass forms of tourism popular also among young people like winter sports, summer holidays in mountains and water relaxation. Additionally, worth noticing is the fact that tourism offer of other countries, like Austria, Croatia or Slovenia were estimated by Polish and Czech students in a very similar way.

The nature of the sample and the small scale of research are important obstacles to build definite statement that tourists treat the domestic offer preferably in comparison to the one from foreign countries, still clearness of presented results and the fact that the survey was conducted among students who are supposed to be the most open, mobile and internationalized group in the society, indicates that similar phenomenon might be observed also in regard to other groups. Further research might also justify similar attitudes among other nationalities in Europe and worldwide as inhabitants of European Union might be rather supposed to be even less involved in domestic tourism than people from other continents. This assumption is even more probable considering results of Bigane et al (2007) research showing that Poland and the Czech Republic are rather similar to many other European Union countries (especially Germany, Great Britain or Italy) in proportion of domestic and outbound tourism while in other countries like USA, Brazil, India or China the share of domestic tourism traffic is even much higher.

REFERENCES


EXPLORING THE IMPACT OF CROWDSOURCING ON HOTEL ROOM MAINTENANCE: A CASE STUDY

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ABSTRACT: It is well known that guests are able to make an initial impression within seconds. Additionally, surveys have frequently ranked cleanliness and appearance among the most important factors in selecting a hotel. In this environment what is the impact of guest identification of room maintenance issues? Product defects such as a frayed carpet, or a non-functioning remote negatively affect guest’s perceptions of the hotel. Whereas properties typically schedule routine maintenance checks, and respond to guest-initiated requests, could a crowdsourced approach to issue identification be valuable? The objective of this study was to explore the phenomenon of guest initiated maintenance service calls in order to determine if there exists a solution in which product defects are optimally identified prior to a guest’s stay. The proposed solution: expanding the maintenance process to include internal partners (housekeeping, etc.) and external partners (guests). A case study approach was employed. A luxury class resort in the Central Florida region was selected in order to study the phenomenon. Conversations were held with employees to better understand current practices, and follow-up interviews were conducted with key stakeholders in the maintenance process (operations, housekeeping). The results of the study provide an overview of the current processes and procedures in relation to product defects and maintenance service. The study provides an assessment of the applicability of implementing a crowdsourced solution (employing partners in the product defect process). The input of key stakeholders has been distilled into opportunities for implementation, and challenges that would be faced. Keywords: Lodging, Hotels, Crowdsourcing, Open Innovation, Maintenance, Product Defects

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INTRODUCTION

One day you might have the pleasure of staying at a four diamond rated hotel in Orlando, Florida. The hotel, a grand affair, will most likely be a luxury-class resort with ample grounds, a golf course and a convention centre. Lavish by hotel standards, but not terribly uncommon here in the theme-park capital of the world, which is a focal point for attractions, entertainment and excitement. Driving down the tree-lined boulevard a guest first sees the hotel from afar, rising up out of its lush green surroundings. The entrance, predictably, is dominated by a large water fountain, and is populated by an army of attendants ready to assist the guest. The lobby, expansive and themed reminiscent of an Italian villa is imposing, tidy and polished. The accommodations, stocked with amenities, and possessing expansive views of the surrounding scenery, are a welcome respite from the frenzied nature of business travel. Given the luxuriousness of the surroundings, the care and attention to detail, and the culture of service one would find it difficult to lodge a complaint against such an establishment.

Our story begins here, inside of a pleasant hotel room, at a luxury-class resort, in the heart of one of the world’s entertainment capitals. A smile, some kind words and a small gratuity, and you might find yourself in a corner suite high in the hotel’s main tower. While perusing the room, you begin an almost ritual process of relaxation that accompanies finding one’s hotel room after a long journey. You begin to familiarize yourself with the surroundings. Running through a mental checklist, one: finds the remote, looks for the fridge, ensures that toiletries are stocked, observes the room temperature; undertaking a casual inspection of the room. It is at this point that you might notice an almost inconsequential product defect, something that draws little emotion, or causes negligible concern, but non-the-less represents a deviation from the high standards of the property.

A small section of carpet has lifted off from the floor. Small, simple, inconsequential. Given the extensive usage of the room by the guests, and the vigorous regiment of cleaning, upturned carpet can be a common occurrence. Along the same vain are tens of other small, simple, inconsequential problems. Have you ever entered a hotel room to find that bulb in the desk lamp is broken? Have you ever attempted to turn on the television, only to find that the batteries in the remote control have died? Perhaps you have encountered some small product defect yourself over the course of your travels. More often than not it is a forgettable defect, a problem that if deemed serious enough by the guest results in a relatively quick fix by the property’s maintenance or engineering staff.
Why care about such a trivial affair? An occurrence of this nature is easily fixed and can be easily forgotten. Because they occur quite frequently. But certainly the hotel maintenance staff isn’t oblivious to these small product defects? Certainly they must take some form of pro-active action to limit the extent to which guests experience product defects? The answer to that question is yes. Most properties do have in place processes and procedures that seek to limit the exposure of product defects to the guest. Even so, every maintenance issue that occurs that is unaccounted for prior to a guest’s arrival represents a potential loss due to a perceived failure of the service and / or brand. Operating in this reality of a constant stream of minor product defects, how can a hotel best act in order to minimize their potential impact to guest satisfaction and loyalty?

Hotels cannot be faulted for a lack of effort, or a lack of a determination to minimize the incidence rate of product defects. Preventative maintenance programs are designed to limit the potential exposure of product defects to guests, in so much as the effort doesn’t unduly burden the profitability of the hotel. Challenges in the lodging industry stemming from the limitations of traditional processes and procedures are candidates for non-traditional, innovative solutions. The researchers propose that crowdsourcing, the process of opening up the problem solving process to a large group of individuals, can assist maintenance teams in product defect identification. By incorporating stakeholders in the issue identification process, both internal and external to the hotel, issues can be identified faster at a lower cost.

In this study the researchers seek to better understand the relationship that exists between hotel product defects, and efforts to combat them. Existing research supporting the proposed negative impact of product defects on guest impressions and behaviours is utilized as a justification for this study. The research questions motivating this effort are: how often do product defects occur, what is being done to minimize product defects, what are the limitations of the current method, and can crowdsourcing play a role in further reducing defect incidence rates? In order to better understand the answer to these questions a case study analysis of a luxury resort located in Orlando, Florida is undertaken. Document analysis, observations, and interviews are employed to better understand the existing processes, the challenges being faced, and the potential for crowdsourced solutions. The study concludes that while crowdsourcing can play a role in reducing the exposure of maintenance issues to the guest, and can do so in a cost-effective manner, the primary obstacle to implementing crowdsourced solutions will be overcoming organizational culture barriers.
LITERATURE REVIEW

Guest Perceptions

Previous research has shown that: first impressions are important; hotel guests correlate service quality with cleanliness and appearance; and guests experience distinct emotions related to hotel services, including maintenance issues. We propose that when a guest enters a property for the first time, a quick assessment is conducted of the quality, cleanliness, and appearance of the hotel and its facilities. The same process is proposed to hold true for the hotel room and its amenities. These assessments can affect the perceived service quality of the hotel, which in turn can impact key hotel metrics such as guest satisfaction and loyalty.

First impressions are important. First impressions can also be almost instantaneous. Only a brief exposure to the item of interest is required in order to make broad generalizations (Allport, 1937). Willis and Todorov (2006) tested the confidence levels of participant's assessments of traits inferred from brief exposure to images of facial features. The results speak for themselves, “judgments made after a 100-ms exposure correlated highly with judgments made in the absence of time constraints, suggesting that this exposure time was sufficient for participants to form an impression” (p. 592). Past research in the field of social perception has studied the ability of brief impressions to lead to perceptions of personality, competence and ability (Gosling, Ko, Mannarelli, & Morris, 2002). The authors propose that this same process, responsible for near-instantaneous collection and analysis of external observations is relevant and applicable to hotel guest’s first impressions of the hotel and their room.

Not only can guests quickly assess their surroundings and form initial impressions, these impressions help form the overall perception of the service quality of the hotel. Research has shown that guests consistently rank cleanliness and appearance highly in factors associated with staying at a property (Barber & Scarcelli, 2010; Chubb, 2011). Getty and Getty (2003), who developed a lodging quality index, which assessed customers’ perceptions of quality delivery, identified one of the dimensions within the quality construct to be Tangibility, which represents the physical characteristic of the service encounter. The final 26 item index included the tangibility items of “the hotel’s interior and exterior were well maintained” and “the hotel was clean.” Lockyer (2003) supporting the importance of physical environment, concludes that the customer’s perceptions of service quality are affected by the cleanliness of the hotel.
Beyond initial impressions and assumptions of service quality, the cleanliness and appearance of the hotel share a connection with the emotional experience of the guests. An empirical study conducted by Desmet, Caicedo and Hout (2009) concluded that unpleasant emotions were just as common as pleasant emotions experienced during a hotel stay. Unpleasant emotions included: dissatisfaction, aversion, boredom, sadness and fear (amongst others). The coded data, analysed by the researchers, resulted in a category entitled “Maintenance” with examples provided by respondents including “Noisy elevator [and] jammed door lock” (p. 3). Overall when the eliciting conditions were mapped against the emotional responses, the category of maintenance was shown to be closely related to the emotions of dissatisfaction and fear. Why are hotel guests emotions related to maintenance issues important? Studies have shown that emotions have an impact on levels of post-purchase satisfaction (Oliver, 1993) and repurchase decisions (Allen, Machleit & Kleine, 1992). Within the lodging industry, it has been shown that the key metrics of satisfaction and loyalty are strongly influenced by emotional experiences (Barsky & Nash, 2002).

The body of research that studies the impact of the physical surroundings on a service process, so called *servicescapes*, has sought to better understand its effect on customer’s emotions and behaviours (Bitner, 1992; Mari & Poggesi, 2013). Supported by the environmental psychology literature, servicescapes utilizes Mehrabian and Russell’s (1974) stimulus-organism-response (S-O-R) paradigm to justify the process by which external stimuli is evaluated and ultimately influences behavioural responses. Bitner (1992), who is credited with the term servicescapes, identified three dimensions of the physical surroundings: ambient conditions (e.g. temperature, odor), spatial layout and functionality (e.g. furnishings and amenities), and signs, symbols and artefacts (e.g. décor). Clearly the hotel maintenance staff will have a strong influence on how the guest perceives and experiences these dimensions. Regulating the temperature, maintaining the décor, and repairing furnishings are some examples of how hotel maintenance operates within all three dimensions. Lin and Mattila (2010) studying the impact of physical surroundings on customer’s emotions and satisfaction concluded that servicescapes influence a guest’s levels of pleasure and satisfaction with the service experience. At the same time, research findings have shown that the psychical surroundings can positively affect future behavioural intentions, a relationship mediated by emotion (Jang & Namkung, 2009).

In light of a guest’s ability to make rapid assessments of their physical surroundings, coupled with that assessments’ ability to result in an emotional response, which in turn can influence behavioural intentions, hotels must aggressively guard against product defects and maintenance.
issues that threaten to damage perceptions of the physical surroundings. Taking a page from the six sigma literature, the goal of hotels should always be to minimize deviations from the intended service quality, ultimately reaching zero product defects exposed to guests. Whether or not it is practical and/or achievable to reach zero product defects is irrelevant, as long as it is the long-term goal, the desired end state.

**Hotel Maintenance**

Given that guest’s impressions of, and emotional reactions to the cleanliness and appearance of the hotel can have a significant impact upon key lodging metrics such as satisfaction and loyalty, what is the current state of hotel maintenance and its efforts to minimize product defects and their exposure to the guest? According to the British Standards Institution (1993), maintenance is defined as “the effort in connection with different technical and administrative actions to keep a physical asset in, or to restore it to, a condition where it can perform a required function.” Here we can see the primary differentiator in the tasks for which maintenance is responsible; to maintain or restore. In hotels it is the difference between replacing a remote’s batteries prior to a complete loss of power, thus ensuring continuous operation of the remote, versus replacing a remote’s batteries after a complete loss of power, which carries with it the potential to negatively affect the guest.

The challenge presented to hotel management is how to prevent and repair product defects in a 24/7/365 operating environment, while at the same time adapting to increasing levels of external competition, and guest awareness and social media utilization. All hotels to varying extents possess a Planned (or Preventative) Maintenance (PM) plan. Ritz-Carlton, a brand synonymous with luxury and service quality excellence, utilizes a preventative maintenance program named “Clean and Repair Everything” (C.A.R.E.). This program provides Ritz-Carlton employees with its vision and mission for maintenance, in addition to the scope of the work, job descriptions, team work flow and procedures and standards. At Ritz-Carlton this C.A.R.E. team typically consists of a general engineer, a painter, a deep cleaner and a prompt response mechanic (P.R.M.). Accountable to the Director of Engineering and the General Manager, C.A.R.E. teams are accountable for improving the consistency of the product, as well as internal, and ultimately, external customer satisfaction. Typical of many other hotel chains with upper-upscale and luxury properties, Ritz-Carlton seeks to visit rooms once they have been occupied for a minimum of 90 nights (Ritz-Carlton, 2003).

Given the attention to detail and the effort expended in order to carefully craft the standards and operating procedures for guestroom
maintenance one wouldn’t be remiss in asking why this study is necessary. Surely Ritz-Carlton, and similar hotel chains, with their wealth of knowledge and access to resources, have determined how best to minimize the incidence rate of product defects? Based on our analysis of one such hotel property, detailed below, the researchers would agree that while guestroom maintenance has been optimized based on traditional approaches to maintenance, through the use of non-traditional methods such as crowdsourcing the maintenance process can become more inclusive, co-producing the identification of issues by incorporating its stakeholders into its processes.

Crowdsourcing

Innovation is the life-blood of a firm’s ability to maintain a competitive advantage and ensuring long-term survivability (Cefis & Mar- sili, 2004; Danneels, 2002; Helmers & Rogers, 2010). Adapting to an ever-changing environment requires operational repositioning (Porter, 1996) that could require new innovative products, processes, organizational practices or marketing efforts (OECD, 2005). A concept distinct from inventions, innovations represent small, pragmatic adaptations of existing products and services (Hjalager, 2002) that can be put to practical use (Hjalager, 1997). In the fields of hospitality and tourism most innovations are incremental in nature, representing marginal changes to existing processes (Peters & Pikkemaat, 2005). While innovations within tourism has been organized into five main categories: product innovations, classical process innovations, management ones and institutional innovations, it is well-understood that innovations can transcend individual categories (Hjalager 1997; 2010). For example an innovative approach to reducing guest exposure to product defects would more than likely involve improvements in both processes and managerial practices.

Innovation, a vital component of firm survivability, need not be attempted alone. While traditionally research and development (R&D) was conducted in-house, more recently firms have realized the benefits of opening the innovation process to external partners. Chesbrough (2003) observes that, “Companies are increasingly rethinking the fundamental ways in which they generate ideas and bring them to market — harnessing external ideas while leveraging their in-house R&D outside their current operations” (p. 1). The benefits of open innovation? An increased number of innovative ideas, a decrease in innovation cost and process time, and a decrease in the time it takes to bring the product to market (Sloane, 2011). Within the field of open innovation, crowdsourcing represents the act of a firm taking an internal function and outsourcing it to a large group or community. This group
can collaboratively peer-produce solutions, or work independently. Relative to more traditional methods of outsourcing, crowdsourcing has the potential to provide higher quality solutions cheaper and faster (Dawson & Bynghall, 2011, Lakhani, 2010). In order to obtain the advantages of crowdsourced solutions though firms must overcome the limitations of firm-centric value creation. Tapscott and Williams (2006) advocate: reducing the reliance on internal employees, removing hierarchical structures, and allowing the crowd access to the firm’s intellectual property.

METHODOLOGY

Endeavouring to better understand not only the preventative maintenance plan itself, but the underlying motivations and expectations as well as the intended and actual outcomes, the researchers sought out a luxury hotel property to evaluate. The researchers located a hotel within the Orlando, Florida area, a large property (500+ Rooms), managed by an international hotel management firm, and located in the South-West quadrant of the city (nearest the theme parks and attractions). Permissions were obtained to have conversations with employees and to interview key employees within the operations and housekeeping teams. The results of these discussions and observations are presented along with select quotes in order to achieve two objectives. First, to confirm that a preventative maintenance plan is in place at this property, and that despite the current operating procedures, maintenance issues are occurring with regular frequency. Second, to query the maintenance process participants on the current state of stakeholder support, and to challenge them to envision how stakeholders could play a greater role in the maintenance process.

DATA COLLECTION

The data were collected by the researchers via conversations and interviews that took place over the course of two months in late 2013 and early 2014. The selection of participants was determined by a combination of insights from the literature in addition to the extensive industry experience (12+ years in lodging) of one of the members of the research team. Specific participants weren’t targeted, rather the researchers noted their preference for employees from specific functions (operations and housekeeping) within the hotel, and selection was made based on the availability and approval of the individual participants.
In order to gain a better understanding of the hotel, how it functioned, and how various functions interfaced with the maintenance team, the researchers held conversations (prior to interviews) with two employees within the hotel: a manager with operations, and a housekeeping supervisor. These conversations were informal, took place over coffee, and each were completed within one hour. These initial conversations helped confirm the researcher’s understanding of the phenomenon and assumptions based upon previous research. Conversation participants were queried on the interview questions, providing feedback on the appropriateness of the questions, relative to the unique characteristics of the lodging industry. Interviews were then conducted with two individuals within the hotel, one each from operations and housekeeping: the assistant director of operations, and a housekeeping manager (Table 1). The interviews took approximately 30 minutes each, and were centered around the set of questions developed by the researchers to gain insight into: existing preventative maintenance, frequency of issues, the role of peripheral stakeholders, and ways in which the hotel could completely prevent guest issue exposure.

Table 1. Prospect company description and call length

<table>
<thead>
<tr>
<th>Participant</th>
<th>Type</th>
<th>Function</th>
<th>Title</th>
<th>Exp. (Years)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Conversation</td>
<td>Housekeeping</td>
<td>Supervisor</td>
<td>5</td>
</tr>
<tr>
<td>2</td>
<td>Conversation</td>
<td>Operations</td>
<td>Manager</td>
<td>5</td>
</tr>
<tr>
<td>3</td>
<td>Interview</td>
<td>Housekeeping</td>
<td>Manager</td>
<td>4.5</td>
</tr>
<tr>
<td>4</td>
<td>Interview</td>
<td>Operations</td>
<td>Asistant Director</td>
<td>6</td>
</tr>
</tbody>
</table>

Data Analysis

Collected data, in the form of recorded interviews, were transcribed by the research team, and placed into electronic document files for analysis. An initial review of the data consisted of assessing each interview individually to better understand the responses provided. At this point a second review of the data was conducted assessing the interviews collectively in order to determine how the contributions were related and transcended the individual business functions of the hotel.

RESULTS

The Current State of Affairs

Based on the observations gleaned from the conversations as well as the formal transcribed interviews an assessment of current prac-
ties and standard operating procedures was undertaken. According to participant 4 (Asst. Director – Operations), the hotel possessed a dedicated staff for preventative maintenance, but did note that they can get redirected to other tasks to handle emergencies as they occur. When asked about the hotel’s current preventative maintenance schedule, participant #4 responded by confirming that “All rooms must be PM’d quarterly,” but with the caveat that “sometimes we visit rooms more often due to VIPs or multiple complaints.” This early indication of complaints portends the discussion that would take place later on during the interview on issue identification by guests.

When asked which preventative maintenance system the hotel was currently using, participant #4 indicated that “Synergy MMS” (Maintenance Management System) was being utilized. He went on to explain its functionality noting that “the issue can be entered using the guestroom phones and putting it codes or calling our hotel operation department. Once they put the code in or request, it gets dispatched to the working team member at that time.” This is substantial, as the use of guestroom phones implies (and was confirmed) that housekeepers are in fact utilized as part of the preventative maintenance process. Most importantly though, while housekeepers have the ability to assist the maintenance team, the statement in itself doesn’t indicate the extent to which they actually do.

When participant #3 (Manager – Housekeeping) was asked “How many room maintenance/engineering issues would you say your housekeeping team identifies every day/week/month, etc.?” his response was approximately 800 per month (given a 500 room hotel). He did note that this was a highly variable number, but that 30 calls per day was a reasonable average value based on his experience in his role over the past two years. This is certainly an accomplishment for the hotel, as it represents 800 issues per month that being identified by the housekeeping staff, weren’t identified at a later point in time by guests. If we take a step back though to assess the entire spectrum of issue identifications (Equation 1), we can see that there exists an actual number of issues, from which some are identified by housekeeping (HK), some by guests (G), some purposely not reported (N - neglected), and some not at all (H- hidden).

\[ \text{Total Product Defects} = \text{HK} + \text{G} + \text{N} + \text{H} \] (1)

While the researchers weren’t able to quantify the neglected and hidden populations of issues, the researchers did inquire as to the number of issues reported by guests. Participant #4 (Operations – Asst. Director) responded by indicating that over the course of one month (recent) they “had 880 guest calls. Divide that by 15,000 (rounded for anonymity) possible room nights and under 6% of our
guests had problems in their rooms that they experienced.” In light of this additional information it is clear that while the housekeeping staff is assisting in the preventative maintenance program, they are only responsible for approximately 50% of identified and reported issues. This percentage becomes smaller (by an unknown amount) when neglected and hidden issues are included. It should also be noted that all of these issues are occurring in addition to the traditional preventative maintenance program, and its recurring 90 day guestroom inspection process.

Per the review of the literature maintenance issues discovered by the guest will potentially negatively affect their emotional state, their satisfaction with the hotel and their intentions to visit in the future. Given these findings, it is important for the hotel to ask itself what actions it can take to best minimize the number of issues identified by the guest. In order to assist in conceptualizing the various hotel functions and their potential roles relative to the identification of product defects a diagram has been provided (Figure 1). The potential contributing groups are represented as concentric circles, with bolded lines distinguishing the products from internal and external stakeholders. The diagram has been adapted from the crowdopolis model proposed by Kazman & Chen (2009) which seeks to organize the contributions of the crowd.

![Figure 1. Preventative Maintenance Process Stakeholders](image-url)
Resolving the Gap

If product defects are occurring outside of the control of the preventative maintenance program, and its inspection processes, what are the current actions being undertaken by the hotel, and what future actions could it take to resolve these issues? Participant 4 (Asst. Director – Operations) when asked about the formal role of internal partners in the inspection process, replied “Yes, housekeeping is our eyes and ears in rooms. They enter work requests in the system so we can fix them even before our guests experience the problem.” This partnership, implying open lines of communication and a dotted line organizational structure between the two departments is on the surface encouraging. When then asked as a follow-up question, if housekeeping receives any compensation or recognition for identifying and reporting issues, the answer was a powerful and definitive “no.” This lack of encouragement represents a potential missed opportunity by the hotel. When participant 3 (Manager – Housekeeping) was asked a similar question regarding recognizing housekeeping contributions, his response was,

“I do. It’s clear when a housekeeper takes pride on their job and will report every single detail in order to maintain her section and guests happy. I’ve seen cases where the housekeepers would carry batteries, new remotes and even tools to fix maintenance issues so they wouldn’t have to wait for engineers to come over. I would always congratulate them for those kind of actions”.

From participant 3’s statement it can be deduced that while no overarching reward or recognition system is in place, there are ad hoc instances where good practices at the managerial level result in employee recognition at the team level. From the researchers industry knowledge and the initial conversations with housekeeping supervisor at the hotel (participant 1), it was apparent though that ad hoc efforts to motivate housekeeping staff not tied to formal review processes could be difficult. Housekeeping staff can be contract hire, or temporary staff, get paid very close to the state minimum wage, and have a high level of turnover. Supporting this assessment, Tembi (1991) in an empirical study of 17 hotels in the Rochester, NY area, concluded that a majority of housekeeping staff had left a past job due to low wages, and that a high level of dissatisfaction was caused by lack of upward mobility, job insecurity and working weekends.

Given the potentially encouraging, but mixed results of attempts to entice housekeepers into becoming a stakeholder in the preventative maintenance process, identifying whether or not any external stakeholders, namely the hotel guests, can play a role in identifying issues remains an important consideration. When asked what the guest’s role was in the preventative maintenance process, participant 4 responded
Richards, Perry, Zakon and Czernike with, “I don’t believe the guest should have a role. The guest should experience a flawless room every time.” Not surprising, although it did contrast somewhat with participant 3’s response that “issues such as light out, remote control not working are hard to prevent since the room may have been closed for a day or a week. I think the guest should have a minimal responsibility in that role.” Still both participants agreed that the guest’s role should be minimal to non-existent. Confirming this assessment, when asked if the guest could or should play a role in issue identification, participant 4 noted that “we appreciate any comments we receive and work to resolve them, but again they should have a flawless visit.”

Given the mixed effectiveness of the utilization of housekeeping in the current system, and the hesitancy of key stakeholders to involve the guest in the issue identification process, it is imperative to determine how best improvement can be achieved. When both participants were asked, “How would you like to get to 0 issues identified by the guest?” participant 4 (Asst. Director – Operations) replied with a confirmatory statement of his prior analysis, that “94% of our guests in December didn’t experience any problems. We love to receive this feedback on our [metrics].” Participant 3 confirmed the status quo by noting, “I doubt that will ever happen, a light bulb can go out at any time. The TV signal can go away at any time.” Still housekeeping did express the potential for improvement, but at a cost, “I don’t think it’s possible as stated above. It would also be very expensive to maintain proper staff to walk every room every day, especially when dealing with larger properties.”

Thus it would seem that in addition to the maintenance team and their 90 day inspection cycle, the opportunity exists for a potentially increased role of the housekeeping staff, and a longer-term discussion on the role of the guest in co-producing the identification of product defects. While a stigma exists on incorporating the guest into the defect identification process, clearly the guest already plays a role as noted by the study participants. While the question of whether or guest participation is appropriate is best left to the hotels and management firms, if a hotel wishes to do so, the emphasis progresses from why to how. How can the firm best incorporate the guests, and housekeeping, into the defect identification process?

Discussion

At present, this hotel property is in fact actively utilizing a crowdsourced approach to defect identification with the housekeeping staff. This is accomplished through the preventative maintenance
software, and its ability to accept defect notifications from the guestroom telephones. While the hotel has successfully deployed a platform to capture the contributions of the crowd (housekeeping), it is perhaps less successful in its ability to motivate the crowd to help accomplish its goals. Thus we must look beyond the capabilities of the platform, and instead focus on the hotel’s efforts to motivate the crowd, which at present are relatively non-existent, at least on a property-wide level. Richard (2012) provides an outline for those factors that will enable effective crowdsourced solutions including: understanding the nature of the crowd, properly motivating the crowd participants, and ensuring organizational factors such as the platform and incentivizing mechanisms are in place. Of all the motivators that spur crowds to contribute, perhaps recognition and financial incentives will be the most effective for the housekeeping staff. As Tembi (1991) concluded wages and lack of advancement are of serious concern to housekeeping staff. Recognition and / or financial incentives would help alleviate both of these sources of dissatisfaction.

The incorporation of the guest into the preventative maintenance process, currently occurring haphazardly and against the best intentions of the hotel, represents a challenge for hotels. If the guests are included in the process it must be done with hesitancy, in a slow rollout process, testing and evaluating at every stage. The rationale for caution is that one of the hotel’s primary missions is to provide a relaxing, stress-free environment for the guest. Incorporating guests into the defect identification process could damage the perception that the hotel is solely responsible for delivering a quality product and service. Still as guest’s are currently involved in the process, by identifying product failures as they experience them, it is logical to ask how this process can be improved. The issue again becomes one of understanding the crowd, and how best to motivate it. While there are guests who won’t wish to be included in any activity that detracts from their business or leisure activities, other guests will potentially be motivated by recognition and financial incentives. If some token incentivizing mechanisms were put in place, such as a website recognizing guest’s efforts to improve the hotel, and / or hotel reward points being distributed as a result of defect identification, a subset of guests, likely either die-hard fans of the brand, or those strongly motivated by financial incentives might be willing to become part of the defect identification process. The benefit of this strategy is that those guests who are more than willing to contribute would do so, reducing the likelihood that all guests (including those that don’t wish to participate) would be exposed to product defects.
CONCLUSIONS

Relative to the initial goals of this study, this paper was successful in: providing a better understanding of current preventative maintenance practices relative to their inclusion of stakeholders (both internal and external), detailing the opportunities for reducing product defect exposure to guests, and providing recommendations for the utilization of crowdsourcing methods in order to help achieve this goal. While the paper helped to better understand the phenomenon of product defect identification, and the potential place of crowdsourcing, some limitations do exist. As all case studies do, this paper seeks to expose current practices, in an in-depth and informative manner, at the expense of generalizability. The conclusions from this study can only be reasonably directly applied to similar hotels (upper upscale or luxury class) within the United States. It is possible that the challenges of motivating staff at lower tier hotels will be even more challenging than proposed in this study. On the other hand, hotels located in countries where minimum wage is higher and social support structures are more developed and substantial would conceivably face less issues in motivating staff and implementing crowdsourced solutions. The researchers call for additional empirical research in this area, in order to better assess the likelihood of staff and guest participation in crowdsourced solutions to preventative maintenance challenges.

REFERENCES


Title: MULTICULTURALISM AS AN ASSET AND TOURIST ATTRACTION OF LESSER POLAND

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ABSTRACT: The issue of cultural diversity, or rather multiculturalism, is one of the biggest challenges of the modern times. An encounter with something foreign or unknown or even mysterious and intriguing due to that, does not have to cause concern or fear but allows to satisfy curiosity and cognitive needs and teach the viewer a lot at the same time. Lesser Poland is a small motherland for the Armenians, Slovaks, Ukrainians, Jews, Lemkos and Romani living in this area. The dissertation will aim at depicting the culture, tradition and religion of the minorities who lived and still live in the Lesser Poland region as well as showing that the cultural events organized by the said minorities are essential in developing and promoting the tourism of Lesser Poland. The main goal of the said paper is the presentation and comparison of various minorities and ethnical groups working towards the development of the Lesser Poland culture. On the one hand, it attempts to explain the different aspects of cultural diversity, and on the other, depict the influence of tourist activity on particular cultures of Lesser Poland. The research method will be, apart from own observations of multiculturalism, the analysis of selected cultural events organized by minorities which influence the development of tourism in Lesser Poland. Keywords: multiculturalism, cultural diversity, Lesser Poland

INTRODUCTION

Multiculturalism, understood as a coexistence of many cultures, can considerably increase the tourist attractiveness of a given area, at the same time becoming an impulse of creating a tourist function and promoting the area for cultural tourism in a broader sense. Lesser Poland, as a contemporary administrative region, is not only valuable in the natural sense, but also unique countrywide due to the clash of cultures which has been happening for ages now. All across the province one can find proof of multiculturalism, both ethnic and religious.

Culture - meant both in a broad and more narrow sense - is more frequently recognized as the area of interest of tourists, and the motives for travel stem from the need to find contrast and escape, seeking the notion of being “different”, commonly identified with “foreign-
ness” (Podemski 2005). That “fascination with different character, distinctiveness, variety, draws in not only the, so called, real travelers, but also may, and probably does constitute an attraction for those craving an exotic adventure, the tourists longing for, so called, authenticity” (Jarnecki 2011, p. 9, own translation). Therefore, tourists exhibit special interest in regions which are culturally different or are places of coexistence for different cultures.

The notion of multiculturalism and its meaning in tourism

According to the PWN Encyclopedia multiculturalism (wielokulturowość) came into Polish from English and covers three meanings:

1. on the descriptive plane it points to the multitude of cultures; multiculturalism is, therefore, the statement of the objective fact of the existence of cultural divergence of a given society or the fact that different ethnic cultures exist around the world, as do different religions and subcultures, etc;
2. it also denotes the governmental policy aiming at reducing the social tensions which appear due to the multiculturalism of a given population;
3. is a name for a doctrine, movement or philosophy. In this last meaning multiculturalism relates to the activities of minorities aimed at emancipation and increasing their participation in social, political and cultural life of the country.

Puchanrewicz (2010) emphasizes that multiculturalism is, on the one hand, a cultural variety, i.e. several cultures appearing within one area, and on the other hand, the term relates to society whose members come from different ethnic or religious backgrounds and describes their mutual relations and the means the state is using to regulate these. From the tourist’s point of view, the former meaning of multiculturalism seems to be more important, which relates to a phenomenon of coexistence within the same space (or directly neighboring without a distinct border, or aspiring to occupy the same space) of two or more social groups of different cultural characteristics: appearance, language, religious beliefs, set of values, which all contribute to the mutual perceiving of distinctiveness, with various results (Golka 1997, pp. 54-55, own translation). The actions of the ruling parties leading to maintaining the multiculturalism of a given population may be crucial in order to preserve the tourist function of a given area. However, this multiculturalism and the resulting cultural heritage need the acceptance of the local community. It is only then that they will find their permanent place in the national culture treasury, or become rediscovered and recreated. In turn, un-
fortunately, the protection and popularization of the unwanted or forgotten heritage, especially one devoid of heirs, proves extremely problematic (Owsiakowska 2010).

The coexistence of different cultures is an outcome of cultural contact resulting from land conquers, colonization, annexation and migration (Paleczny 2002). While treating multiculturalism as cultural diversity, A. Sliz and M. S. Szczepanski (2011) point out its two important aspects. First of all, one can talk about the, so called, ethnic multiculturalism, which involves identifying a person basing on their inherited characteristics, secondly, the non-ethnic multiculturalism which stems from the democracy of social life. S Fish (1997) labels these two types as strongmulticulturalism and boutiquemulticulturalism. The former demands a deep respect for all of the cultures coexisting in a given area, as each one of them has the right to create its own collective identity as well as determine the norms of rationality and humanism. The latter can be characterized by a superficial connection to different traditions which mainly boils down to a simple task of filling a social space with symbols which are to identify the cultural diversity of that area. Such symbols may include for example restaurants serving regional food or festivals and cultural events presenting the cultural distinctiveness of the region (Fish 1997, Sliz, Szczepanski 2011).

Cultural diversity is undoubtedly a factor which can considerably improve the tourist attractiveness of a given region and, at the same time, become the impulse of creating its tourist function and promoting the area for the widely understood cultural tourism. That is why - as emphasized by Owsiakowska (2010) - as part of the initiatives supporting the experiencing and popularization of the heritage of various ethnic and national groups, projects such as the following appear more frequently: Malopolska wielu kultur: zwierciadla (Lesser Poland of many cultures: mirrors) - promoting the knowledge about Lemkos, Slovaks, the Romani and Hungarians living in the region; themed trails (e.g. the Trail of Wooden Architecture, the Trail of Carpathian Temples, the Tatar Trail or the Kashubian Trail); cultural events (e.g. the Jewish Culture Festival in Krakow, the Lemkos Watra in Zdynia, the Three Cultures Festival in Wlodawa, the Multicultural Festival “Galicia” in Przemysl, the Polish-German-Ukrainian Folklore Festival “Sasiady” [arch. word for “neighbors”] on Trzebiatow). The actions aiming at maintaining the cultural diversity and promoting the region (city) as a destination for tourists are subject to a particularly positive reaction when it comes to regions with the so called ethnic multiculturalism. Table 1 below presents the types of multiculturalism, the type of relation, processes and the connected ideology.
Table 1. The types of multiculturalism

<table>
<thead>
<tr>
<th>Type of multiculturalism</th>
<th>Type of relation</th>
<th>Processes</th>
<th>Ideologies</th>
</tr>
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<tbody>
<tr>
<td>COEXISTENCE</td>
<td>Multitude</td>
<td>Hostility</td>
<td>Inculturation</td>
</tr>
<tr>
<td>Diversity</td>
<td>Conflict</td>
<td>Neutral coexistence</td>
<td>Separation, segregation, domination and coexistence</td>
</tr>
<tr>
<td>Distinctiveness</td>
<td>Rivalry</td>
<td>Incorporation</td>
<td>Integration and coexistence</td>
</tr>
<tr>
<td>INFRINGEMENT and MERGING</td>
<td>Multitude</td>
<td>Codependence</td>
<td>Integration</td>
</tr>
<tr>
<td>Diversity</td>
<td>Cooperation</td>
<td>Accommodation</td>
<td>“melting pot”</td>
</tr>
<tr>
<td>Partial distinctiveness</td>
<td>External pluralism</td>
<td>Acculturation</td>
<td>Nationalism</td>
</tr>
<tr>
<td></td>
<td>Hybridism</td>
<td></td>
<td>Statism</td>
</tr>
<tr>
<td>STRUCTURAL LINKING</td>
<td>Multitude</td>
<td>Integrated social system</td>
<td>Assimilation</td>
</tr>
<tr>
<td>Diversity</td>
<td>Cultural unity</td>
<td>Unification</td>
<td></td>
</tr>
<tr>
<td>Full integration with nominal difference</td>
<td>Internal pluralism</td>
<td>Globalization</td>
<td></td>
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Source: www.isr.wsmip.uj.edu.pl/publikacje/typy.doc, by T. Paleczny, as on 07 June 2011.

THE HISTORY OF NATIONAL AND ETHNIC MINORITIES IN LESSER POLAND

The contemporary Lesser Poland (the province) is a part of the former, 19th century Galicia which was a region of much more cultural diversity in the not so distant past. The credit for an exceptional local color of the cities and towns of Lesser Poland, as well as the whole Republic of Poland, was given to the Jewish communities living all around. The orthodox hasidic Jews, in particular, comprise a very exotic group, even though they are usually well merged with the cultural landscape of towns, especially the smaller ones. The North-East areas of the current Lesser Poland region were occupied by the particularly traditional and colorful Ruthenian highlanders - the Lemkos, who were seen as interesting because of their cultural, religious and customary divergence. In many villages one could see the poor-looking groups of settled Gypsies doing smithery for a living. Their nomadic kinsman were looking down on them additionally embellishing the local cultural landscape with their colorful trains of caravans. In the Nowy Sacz region, being well blended into the local communities, there loved German settlers from the times of colonization of the late 18th century. Their villages, with their characteristic, tight, brick constructions, were visibly different from the neighboring ones inhabited by the people with Polish roots and tradition. The areas connected to Poland after 1920, the former areas of the Hungarian Kingdom (several villages in Spisz and Orawa) were inhabited by the Slovaks. Oth-
er minorities were less visible, similarly to the way they are today, and
distinguishable only in places of gatherings, especially connected with
religion. The Armenians and Ukrainians are minorities who get easily
overlooked in the modern society and are recognizable, as they were
years ago, mainly in places of worship and during other meetings of
ethnic or national character.

The cultural and national diversity is undoubtedly a benefit of the
Lesser Poland province. Multiculturalism has an enriching effect on the
Lesser Poles themselves as well. It creates a unique and extraordinary
atmosphere which feels original and draws in hundreds of tourists. The
representatives of the four national minorities living in the Lesser Po-
land region: Armenians, Slovaks, Ukrainians and Jews, and of the two
ethnic minorities: the Lemkos and the Romani undertake a variety of
initiatives which aim at propagating and maintaining of their cultures.

Lesser Poland as a multicultural region

Lesser Poland is unique country-wide for being multicultural and
is inhabited, apart from Poles, by the representatives of such minori-
ties as: the Romani, Jews, Armenians, Slovaks, Lemkos and Ukrainians,
and if religion is taken into consideration - the next large group after
the Roman-Catholics is made up of the worshippers of Judaism and
Islam. The region is, therefore, one of the most diversified in terms
of nationality and religion.

Having characterized Lesser Poland as a multicultural region, the
author accepted that she will present the selected cultural valuables,
which consist of the elements of material and non-material heritage,
and could encourage tourists to visit the Lesser Poland province re-
gion. The selection is based on both the already existing studies (sub-
ject literature), and the authors own experience and observation fol-
lowing her many takes at exploration of the region. The spatial aspect
was also found as important, and therefore, an attempt was made to
present examples from different parts of the province in order to show
the most characteristic areas connected with multiculturalism.

Slovaks

The Slovaks living in the Lesser Poland region are the descendants
of the native peoples living in the regions of the North Psisz and Up-
per Orawa which were incorporated into the Polish borders for the first
time on the 28 June 1920. During the last official census it was noted
that 1 572 citizens of Slovakian nationality lives within the Lesser Po-
land province region. the number is not accurate as several omissions
were reported during preparation of the census. These related mainly
to Orawa. According to the estimates, the number of Slovaks was at least 10,000, as the monthly magazine Život is was being subscribed by around 1,750 families, the members of the Slovak minority. For decades, the main activity of that minority has been concentrated in the Lesser Poland region, home of the only official Slovak association in Poland and the place of action for many social-cultural initiatives. The association organizes a variety of cultural events in Poland. The most important of these include: „Ostatki – Fašiangy” the Folklore Festival (Przegląd Folklorystyczny), the Brass Bands Festival, the Slovak Poetry and Prose competition, the «Meet Slovakia - the Homeland of your Ancestors» competition and the Days for Slovak Culture in Lesser Poland. In Krakow the society also offers Slovak language courses. The society's head quarters on Filipa 7 street also invites the visitors to see the Slovak Art Gallery organizing exhibitions of Slovak artists. The main event organized by the Slovak minority is the Days for Slovak Culture festival. It is a cycle of smaller events presenting the culture of the Slovak minority living in Lesser Poland. The festival has been in place since 1994 and each year traditionally organized by the Slovak association. The many artistic events taking place during the festival are located in the areas of Spisz, Orawa and Krakow. During the open air concerts in Jablonka, Orawa and Krampachy in Spisz, performers from the border cities of Orawa and Spisz present their artistic achievements. The „Ostatki – Fašiangy” Folklore Festival is another important event, during which the traditional Slovak folklore and the carnival customs of the region of Spisz are being presented. The festival has been taking place since 1994 and usually happens in the last weekend of the carnival period in Krempachy in the Spisz region where the tradition of Ostatki (a short period ending on Shrove Tuesday - just before Ash Wednesday) is still being lively practiced.

The Romani

The Romani, quite surprisingly, whole being one of the lesser minorities in Poland, in the Lesser Poland region they are a dominating minority. The number of Romani inhabitants in the region (according to the declared nationality) reaches around 1,700, and the factual state could reach as high as 5,000 people. Lesser Poland, and more precisely Krakow, is the place where the oldest mentioning of the Romani/Gypsies in our country can be found. The region is home for several Romani associations whose character is mainly cultural. The most dynamic in their activities are the members of the Romani Association in Poland (founded in 1992), with their headquarters in Oswiecim, they are directed by Roman Kwiatkowski. The association also shows political ambitions. In 1955 they started publishing a monthly magazine
entitled Pheniben/Dialog, and in 1988 brought the Romani Historical Institute to being. The oldest Romani Cultural Association (founded on 1963) exists in Tarnow, Krakow has its Association of Romani Women (since 2000), and the Harangos Romani Educational Society (since 2003) gathering educated Romani youth and their sympathizers; other local associations are also being created. The activeness of the associations has increased after 2000, when the Lesser Poland region started a government programme for the Romani minority aiming at reducing the vast disproportion in material status of the Romani when compared to the rest of the society, their low social positions and lack of education. The promotion of the Romani culture is being carried out by the Tarnow Ethnography Museum where the world's first permanent exhibition about the history and culture of the Romani (among other things, the memorial caravan train) has been in place since 1990. The Ethnography Park in Nowy Sacz includes a sector of Gypsy construction presenting a fragment of a typical Mountain Romany settlement. Since 1980, the national Romani clergyman Stanislaw Opocki working in the Lososina Gorna parish organizes a Gypsy Annual Sunday Pilgrimage from Lososina to Limanowa, each year around the 15th of September. Another event, this time of a more international character, is the Romani meeting organizes in the area of the former Zigeunerlager in Brzezinka (Birkenau) to commemorate the International Day for Memory of the Extermination, proclaimed in 1994. An exhibition commemorating the extermination of the European Romani people was set up in block 13 of the former Auschwitz camp. Huge interest in the Romani subject has recently been noticed, which resulted in creating of the first in Poland post-graduate college of Romology (in 2004).

The main cultural events organized by the Romani include the International Train of Gypsy Caravans in Memory of the Romani. It is a faithful reconstruction of a Gypsy caravan train. Each year, in the last Thursday of July the Romani from around the world come to Lesser Poland to take a trip around the region. The memorial train of caravans travels with the traditional horse-pulled Gypsy carriages visiting places of memory of the Romani martyrdom. At the same time, it presents the culture of the Romani and allows to better understand their customs. The event takes place in July and is organized by the Ethnography Museum in Tarnow. The Gypsy Spring is another important event and starts by the end of May on the Tarnow Ethnography Museum square. The event is in fact a meeting in the train of caravans and is a part of the permanent exhibition of the museum devoted to the history and culture of the Romani. The talks during the Gypsy Spring are accompanied by dancing, music, fortune telling and Gypsy cuisine. The Museum also organizes other cyclical events like the Gypsy Spring which reminds of the seasonal wandering of the Romani. It is also worth
to mention the Romani Pilgrimage to Limanowa taking place each year on the Sunday closest to the 15th of September. The Romani accompanied by a traditional train of Gypsy caravans with antique carts travel on foot from the church in Lososina Dolna to the Sanctuary of Our Lady of Sorrows in Limanowa. The pilgrimage is attended by the Romani from Poland and from other countries as well.

_The Lemkos_

Before WWII the Lemkos lived in over 300 cities on the North side of the Carpathian mountain range, West of Pieniny (Szkachtwaw, Jaworki, Biala Woda and Czarna Woda), up to the mouth of Oslawa to San (Komancza) in the East. The Lemkos called themselves Ruthenians (or Rusyns) for centuries. The current name comes from the word _lem_ meaning _only_ in their language and was adapted as late as the 19th century. In 1989 in Legnica an association of Lemkos was created which supported the social-cultural pro-Ruthenian orientation, gathering the Lemkos convinced of their being a separate nation with a bimonthly magazine “Besida” released in the Lemkos language and edited by Piotr Trochanowski-Murianka in Krynica. At the same time the Lemkos seeing themselves as an ethnic group of Ukraine set up the Union of Lemkos with headquarters in Gorlice. The press releases of the organization appear in the quarterly magazine “Watra” published in the Lemkos dialect. In May of 2000 the Association of Lemkos organized the first Biennale of Ruthenian Culture in Krynica Zdroj. Concerts, seminars and exhibitions attended by the Ruthenians from Hungary, Slovakia, Serbia, Romania, Ukraine and Canada have become a permanent part of the cultural landscape of the city. The “Rutenika” Foundation for Supporting the Lemkos Minority aims at saving the spiritual and material culture of Lemkos as well as their tradition in its wider sense. Since their early days, the foundation has organizes a lot of prestigious, often innovative, events such as the “Warsaw Lemkos Days”, with the goal of promoting the Lemkos culture in the capital. In the student year of 2001/2002 the Pedagogical University of Krakow, thanks to the input of Olena Duc-Fajfer, PhD, opened the course in Russian philology with the Ruthenian-Lemkos language, aiming at not only educating new teachers of that language, but also preparing journalist specializing in the issues of minorities as well as officials. In 2003 the Club of Patriots of Lemkos-area (Klub Patriotow Lemkowszczyzny) came into being to support the undertakings directed at the Lemkos culture. During the days of 10-15 July 2007 the inhabitants of the Lesser Poland province could find out more about the Lemkos culture during the 10th European Meetings of National and Ethnic Minorities “Pod Kyczera”. The event, as intended by the or-
ganizers - “Kyczera” the Lemkos folk group of song and dance from Legnica - was supposed to be not only a festival for tradition, tolerance and dialogue, but also a holiday of intertwining cultures from various continents and coexistence of religion.

The promoting of the Lemkos culture is further achieved by the international event called “Lemkos Jerusalem” - organized each year since 2000 in the Lesser Poland Art Gallery “Dwor Karwacjanow” in Gorlice presents an exhibition of the painters of the Lemkos Diaspora and the supporters of Lemkos culture, showing contemporary art from Nikifor through Andy Warhol. An important part is also being played by “Radio Kermesz” (operating since 2003) - a weekly audition in Radio Krakow directed to the ethnic community of Lemkos - the members of the Ukrainian minority living in the region of Lesser Poland, especially in Krakow and in the Lemkos region.

The main cultural events organized by the Lemkos include: “Lemkowska Watra” The Lemkos Culture Holiday. It is one of the biggest cultural events organized by the united Lemkos. The holiday is cyclical, it lasts for three days and takes place in Zdynia. The guests can try the dished of Lemkos cuisine and take part in religious practices of the Eastern Christians. Another important event is the Biennale of Lemkos/Ruthenian Culture. The event takes place every two years in the last weekend of May in Krynica. The goal of the meeting is promoting the Ruthenian culture of all the regions inhabited by the Carpathian Ruthenians. During the Biennale one can see both music and theatrical performance.

Ukrainians

The common history of Poles and Ukrainians living in the area of effect of the spirituality of both nations, the knowledge of both cultures which interact and enrich each other, is a fertile ground for intercultural dialogue. The Ukrainian minority - though not very numerous - plays an important part in promoting the Ukrainian culture and forms a vital link in the dialogue, and the multiculturalism in our region involves respect for the people representing a different culture or religion and their inalienable right to keep their national identity and mother tongue. The Ukrainian community has been embedded in the cultural landscape of Krakow and South-East Poland for ages. Krakow drew in scholars, travelers and young people who wanted to live or at least study in this ancient and multicultural borough. The Ukrainians currently living in the Lesser Poland region are mostly the citizens of Poland whose ancestors have lived within the borders of the multinational state organisms for ages. Though the number of Ukrainians living in Krakow is small, and their number living in the whole province - as
declared during the recent census (2011) of the Polish citizens - is 472 (c.f. 27 172 people in the whole country), the official figure needs to be amended by adding a large group of people who, for some reason, have not declared themselves as Ukrainians, even though they identify themselves as such and take active part in Ukrainian events and participate in the social-cultural life. The Ukrainian minority within the borders of Lesser Poland is focused in two organizations - the Union for Ukrainians in Poland and its local branches, as well as in the Unification of Lemkos. The Krakow Ukrainians take active part in various events devoted to the history and culture of Ukraine and aiming at the integration of the Ukrainian society, cultivation traditions and commemorating important dates from the history of Ukraine as well as important current events organizes both by the Union and by the General Consulate of Ukraine in Krakow. The organizations commonly celebrate the most important national holidays. The Ukraine Independence Day 22 August and 22 of January - the Ukrainian Unity Day. To celebrate, the members of the Ukraine minority meet by the tumulus on the Rakowicki Cemetery. An important part of the social lives of the Ukrainians is taken by cultural events such as the annual evening meetings in March to commemorate their greatest national poet Taras Shevchenko, as well as conferences devoted to the problems of modern Ukraine, meetings with the members of education and cultural societies, usually organized by one of the three Ukrainian studies centers in Krakow - the Ukrainian Language Studies Chair of the Jagiellonian University, Ukrainian Culture Studies Chair of the Jagiellonian University and the foundation of St. Vladimir. The traditional Ukrainian events include “Malanka” - a New Year’s ball where Ukrainians, along with their Polish friends and sympathizers welcome the New Year (13 January, according to the old calendar), and “Kutia” - a Christmas party taking its name from the traditional Christmas Eve dish.

Having taken into account the small number of Ukrainians currently living in Krakow, one can notice that the transfer of culture and tradition, an important element of maintaining the national identity, is not an easy task. That is why all the centers for activities of Ukrainian minority in Krakow are so crucial: the Krakow branch of the Union of Ukrainians in Poland, the Greek-Catholic orthodox church of St. Norbert, and the Foundation of St. Vladimir, the Baptist of Kiev Rus’. The foundation, set up in 1989, became known for its achievements in supporting the Ukrainian culture. Its goal is to support the development and popularization of Ukrainian education and culture in Poland as well as the Polish-Ukrainian dialogue. The most important undertakings of the Foundation include numerous academic conferences and exhibitions, among others of Jerzy Nowosielski, Nikifor Drowniak, Tyrs Wenhrynowicz and Grzegorz Pecuch.
Apart from the Union of Ukrainians in Poland, there also are other regional Ukrainian organizations which include the Unification of Lemkos, created in 1989 - NGO of country-wide range, concentrating the part of the Lemkos community who see themselves as a part of Ukrainian ethnic group. The Unification of Lemkos aims at maintaining, cultivating and developing the ages-old cultural heritage of Lemkos, protection of the Lemkos culture monuments in Poland, including architecture, painting, music, folk production and folklore, care for the development of science and education in the Lemkos community and popularizing the amateur-artist movement as a widespread activity for culture and education. A huge event in the social-cultural life of the Ukrainian minority is the annual “Lemkow Watra” organized in Zdynia (Gorlice powiat/district) - one of the largest folklore events in the Lesser Poland province. The event lasts for three days and is especially important to maintain the culture of the Ukrainian minority of the Lemkos in Poland. Over ten thousand people from within the country and from abroad take part in the event each year, whereas the number of the performers reaches one thousand: folk, rock, jazz music and other forms of theatrical and stage performances. The importance of this event is emphasized by visits from known people of culture and politics, such as the Ukraine president Viktor Yushchenko. What also is worth to mention are the frequent initiatives taking place in Krakow and started by people from outside the Ukrainian community. With the support from the city officials and different NGO’s events take place with the goal of propagating the Ukrainian Culture. The festival organized by the ARTica Foundation for the Hutsul culture named after Stanislav enjoys a growing popularity and became a permanent position in the cultural calendar of Krakow. The festival presents the popular Hutsul lands, their magnificent nature, rich tradition and colorful folk culture. The main cultural events organized by the Ukrainian minority include: The Student Days for Ukrainian Culture in Krakow taking place in April each year. It is an interesting initiative started by the Jagiellonian University and incorporating students from the Ukrainian studies and students from Ukraine and other countries. A lot of projects of the Academic Circle of Ukrainian studies of the Jagiellonian University closely relates to the activity of Krakow’s Ukrainian studies from the 1990’s. Another important cultural event is the Hutsul Festival which took place first in 2006. The goal of the festival is to teach the inhabitants of Krakow and Lesser Poland more about the tradition and culture of the Hutsuls. Traditional Hutsul music sounds off for several days in April. The festival also includes academic conferences, musical events and movie screenings.
Jews

The minority/nationality very closely related to Poland through their history, and with Lesser Poland in particular. Officially, Lesser Poland is a home for 50 Jews, out of the total number of 1,055 people who declared this nationality during the census in 2002. It seems that the declaration was more about the religious affiliation. Until the times of the Holocaust, Krakow was one of the most important centers of the Jewish cultural and religious life in Europe. In comparison to other parts of Poland, remaining under annexation, the Austro-Hungarian territories allowed the Jews to enjoy full equal rights, especially after the 1860's. It was there that large centers of religious and economic life developed. The largest centers of Jewish culture and life in the former Galicia, apart from Lviv and Stanislawow were Krakow and Tarnow. Lesser Poland was additionally the region most important when it comes to the religious life of the Hasids. Galicia, now partially Lesser Poland, was the Hasid center radiating towards the neighboring regions, especially Hungary and Czech. Cities such as Tarnow, Nowy Sacz, Oswiecieim (Auschwitz), not to mention Krakow, had several synagogues and dozens of smaller prayer chambers. Krakow is a treasury of the Jewish monuments, both sacred and secular, it is also the place of memory and martyrdom of the local Jews. Several synagogues survived, now renewed and made available for religious purposes or for sightseeing. Starting with the Remuh synagogue, which is the main synagogue for daily prayers of the faithful, up to the Tempel synagogue, which serves as a meeting place or a concert hall. From the Old Synagogue, housing the Judaist department of the Historical Museum of Krakow, up until the other buildings, successively renewed and made available: the High, Kup’s, Popper’s and Isaac’s synagogues. Jews from around the world traveling to Krakow are offered more than just the possibility to use the synagogues. The Eden Hotel offers kosher cuisine and mikveh. The Jewish Community (Gmina Zydowska) also offers kosher cuisine and mikveh used by the Jews of Krakow, especially the elderly. The Jewish youth, on the other hand, is concentrated around the Czulent society who organize Shabbat evenings and celebrate Jewish holidays. Krakow is today’s center for education and studies of the history and culture of the Jewish people. The Jagiellonian University includes courses in their Judaist studies, started in 1986, the Lauder foundation offers religious courses for young people who want to find the roots of their culture in Judaism. The Center for Jewish Culture, located in Kazimierz (since 1993), is a dynamic centre for promoting the history and culture of Jews, both the ancient and the modern ones. The Centre of the Jewish Community is a freshly established institution which takes action for the benefit of the Jewish community. The largest cul-
Cultural event in Krakow is the International Festival of Jewish Culture, started in 1991, gathering the most renowned Jewish artists each year at the turn of June and July to promote Jewish music from all around the world. It is the world's largest event devoted to promoting Jewish culture and gathering each year thousands of performers, participants and guests from all around the world. March, in turn, is the month of organizing Krakow Memory Marches commemorating the resettlement of Jews from Kazimierz to the ghetto in Podgorze in 1941. Outside Krakow, there are several museums in the region having their Judaist collections available for display. The richest is the collection of the Tarnow museum, others include Nowy Sacz and Bochnia. The Tarnow museum has been organizing their Memory Days to commemorate the Galicia Jews - Galicjaner Sztetl since 1996, taking place each June. It is the second, just after the Krakow Festival, event promoting the Jewish culture in Lesser Poland. The programme of Galicjaner Sztetl includes Jewish music concerts, exhibitions, meetings, workshops and commemorative celebrations. There is also the Committee for the Care over the Jewish Culture Monuments which operates by the Tarnow Museum (started in 1988). It is also worth to mention that Tarnow has its Jewish tourist trail. The main cultural events organized by the Jewish minority include: the Jewish Culture Festival in Krakow as one of the most important and largest events of this type in the world. It reaches back to 1988. For 9 days (end of June, beginning of July) Kazimierz is ringing with the sounds of Jewish music with all of its shades and kinds: from synagogue song, through klezmer, to jazz and radical Jewish music. The participants to the festival can also see contemporary movies devoted to Jewish themes. A variety of workshops draw in crowds of interested people: the visitors can learn the basics of Yiddish, Hebrew, basic steps of Jewish and Hassid dances, as well as basics of klezmer, Yiddish and Hassid singing. A crowd of several thousand people from all around the world participates in the events of the festival completely massing-up especially the Szeroka street, which for several hours of concerting turns into a beacon of peace sending the message to the world - Shalom!

The Meeting with Jewish culture “Bajit Chadasz” are organized each year at the end of September and have been since 1996. These include a cycle of lectures, exhibitions, movie screenings, seminars, readings and concerts. Additionally, during the classes in the Jewish Culture Center discussions on difficult topics, like e.g. the “Holocaust” take place.

Armenians

1980 was the year of establishing of the Krakow Group of Interest of the Armenian Culture by the Polish Ethnological Society.
It was the first organization gathering the Polish Armenians after WWII. The Armenian Cultural Society was funded in Krakow in 1990 from the partially transformed Group of Interest. It is an official social-cultural organization registered in the State Court Registry in Krakow. The goal of the Society is to integrate the communities of Polish Armenians and to document their history and culture. The Society also corresponds with Armenia and with the Armenian Diaspora outside its borders to help the Polish Armenians keep the spiritual contact with the rest of their nation. Everybody interested in the themes of Armenia can become a member of the Society. Currently the Society has 135 members. The regular form of the Society’s activity includes monthly meetings of its members connected with presenting reports and papers on the subject of Armenia and Armenians taking place in every last Friday of the month in the lecture room of the Ethnography Museum by the Wolnica square. The Society made contact with the Jewish Culture Center allowing to organize Days for Armenian Culture in 2002 and 2003. A regular event which has been in place since 1995 are the commemorations of the genocide of Armenians in the East Turkey region. The commemorative event takes place in St. Nicolas church on the Saturday closest to the 24th of April. That date is a symbolic one when the arresting and deporting of Armenians living in Turkey began.

SUMMARY

Multiculturalism is undoubtedly one of the main indications of modern times, nevertheless, it is also found all across history. Special cases are countries which came to being thanks to consecutive migration waves (USA, Brasil) or are diversified because of their complicated history (e.g. India or Romania once and partially even today). The monoethnic or monocultural enclaves are quite rate as they undergo evolution due to the ease of communication and the widely understood globalization. The mentioned phenomena can be an asset for a given tourist destination on the one hand, as well as the main motive of the whole journey on the other. The mysterious distinctiveness intrigues and draws in.

The culture of ethnic and national groups has strongly merged with the local, Polish culture undergoing polonization to a various degree, also becoming a source of inspiration for the Polish culture and its integral part. Polish vocabulary borrowed terms from Germans and Jews. German/Austrian cuisine, as well as the Jewish one, came through to Polish dishes and other types of food, including their names (e.g. bajgel) The Jewish, German or Gypsy characters
appear in Polish sayings, anecdotes and ceremonies. The Lemkos ma-
ziarze (tar-workers) travelled with their characteristic carts and sold
crude oil products reaching far areas of the monarchy and the lands
of the Russian annexation.

The culture of minorities inspired the most renown Polish artists and
writers. The Gypsies settled around Krakow appeared in the paintings
of the eminent Polish painter Antoni Kozakiewicz, the Gypsy tents
set up on the Krakow Blonia Park were the subjects of Julius Koss-
sak’s sketches, and the poor mountain Gypsies were painted by Artur
Grottger, Karol Mlodnicki and Leon Lewkowicz.

All these initiatives are a form of care for the vanishing traditions,
for the historic memory and their main goals are to build and strengthen
the consciousness and cultural identity as well as promoting the culture
and traditions of the minorities in the Polish community. The article
presents cultural events organized by minorities and ethnic groups in
Lesser Poland and which indubitably affect the development of tour-
ism in the province.

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PECULIARITIES OF TOURISM BUSINESS INNOVATIONS IN LITHUANIA

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ABSTRACT: Ongoing innovation processes in the tourism industry tend to have a very clear and defined goal - to find new effective ways of creating added value for customers. Tourism innovation is often associated with innovation in general. However, in science, innovation is precisely defined and closely associated with the analysis of market processes. In this article, innovation is divided into several categories: product, process, organizational/managerial, management, communication and institutional innovations. Innovation development opportunities in the above-mentioned categories are detailed in the hotel business. The aim of the research is to investigate the opportunities for innovation impact on the tourism business by analyzing hotel business as the most important group of services in Lithuania. The results allow us to understand the peculiarities of innovative hotel business in relationship with opportunities offered by innovations. However, the most interesting outcome of the study is an attempt to assess complex benefits of tourism business innovations. Keywords: tourism service, tourism industry, tourism business, processes innovation, innovation categories, qualitative research.

INNOVATION CATEGORIES IN TOURISM SERVICE SECTOR

Ongoing innovation processes in a wide range of business areas are mostly targeted at finding new and more effective instruments to create added value for customers. Innovations contribute to the progress of the society and the productive human performance facilitates the system’s transition from a lower level to a higher one. “The objective of this transition is to satisfy the changing public needs” (Melnikas et al., 2000; p.6, Victorino et al., 2005; p.556). Sustainable regional development is becoming one of the essential requirements of today’s society. Sustainable development can be ensured through the application of innovations on different development levels. It is innovations that

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provide the possibilities to achieve the objectives of companies and the society as a whole. It is important that “innovation is always a relevant phenomenon of a dynamic nature, frequently in conflict with the old and destroying norms and traditions that have already been established in the organisation” (Strazdas, 2003, p.9; Zeng et al., 2010, p.191).

Innovations and their categories have been examined and defined in the scientific literature in a variety of ways. Some authors argue that innovation can be seen only as a complete process, while others claim that innovation starts with the launch of a new idea or its application in practice.

The majority of authors draw a clear line between invention and innovation: “Innovations are – compared to inventions – brought to the stage of implementation and commercialisation” (Hjalager, 2010, p.2).

Oslo Manual summarises the definition of innovation: “an innovation is the implementation of a new or significantly improved product (good or service), or process, a new marketing method, or a new organisational method in business practices, workplace organisation or external relations” (Oslo Manual, 2005, p.47). “Innovation refers to the process of bringing any new, problem solving idea into use. Ideas for reorganising, cutting cost, putting in new budgetary systems, improving communication or assembling products in teams are also innovations.” (Hall & Williams, 2008, p.263).

Innovation activities are all scientific, technological, organisational, financial and commercial steps which actually, or are intended to, lead to the implementation of innovations. Some innovation activities are themselves innovative, while others are not novel activities but are necessary for the implementation of innovations. Innovation activities also include R&D that is not directly related to the development of a specific innovation. (Oslo Manual, 2005, p.48)

Oslo Manual identifies four main types of innovation and defines their specifics in the service sector, which may be applicable to the tourism and hotel industry. “Four types of innovations are distinguished: product innovations, process innovations, marketing innovations and organisational innovations.” (Oslo Manual, 2005, p.48). Product innovations and process innovations are closely related to the concept of technological product innovation and technological process innovation.

A product innovation is the introduction of a good or service that is new or significantly improved with respect to its characteristics or intended uses. This includes significant improvements in technical specifications, components and materials, incorporated software, user friendliness or other functional characteristics. Product innovations in services can include significant improvements in how they are provided (for example, in terms of their efficiency or speed), the addition of new functions or characteristics to existing services, or the introduction of entirely new services.
A process innovation is the implementation of a new or significantly improved production or delivery method. This includes significant changes in techniques, equipment and/or software. Process innovations can be intended to decrease unit costs of production or delivery, to increase quality, or to produce or deliver new or significantly improved products.

A marketing innovation is the implementation of a new marketing method involving significant changes in product design or packaging, product placement, product promotion or pricing. Marketing innovations are aimed at better addressing customer needs, opening up new markets, or newly positioning a firm’s product on the market, with the objective of increasing the firm’s sales.

An organisational innovation is the implementation of a new organisational method in the firm’s business practices, workplace organisation or external relations. (Hjalager, 2005a, p. 49). Organisational innovations can be intended to increase a firm’s performance by reducing administrative costs or transaction costs, improving workplace satisfaction (and thus labour productivity), gaining access to non-tradable assets (such as non-codified external knowledge) or reducing costs of supplies. Organisational innovations in business practices involve the implementation of new methods for organising routines and procedures for the conduct of work. (Oslo Manual, 2005, p. 52).

A detailed analysis of innovations in tourism is provided by a Danish scientist Anne-Mette Hjalager. The author categorises innovations in accordance with the complexity of tourism and hotel industry. The organisational innovations are divided into several categories, thus emphasising the differences between innovations observed in the internal organisation and innovations of significant elements operating in the external environment of the organisation (Hjalager, 2005b, p. 11).

“Product, process, organisational/managerial and market innovations constitute the main body of innovation categories. Distribution innovations and institutional innovations are examples of attempts to consider particularities of innovation in tourism, and cater for them in the research” (Hjalager, 2010, p 2).

- Product or service innovations refer to changes directly observed by the customer and regarded as new.
- Process innovations refer typically to backstage initiatives which aim at escalating efficiency, productivity and flow.
- Managerial innovations deal with new ways of organising internal collaboration, directing and empowering staff, building careers and compensating work with pay and benefits.
- Management innovations. Tourist boards, destination management entities and individual enterprises often declare themselves as innovative in an attempt to identify with a new segment of customers or redirect existing messages and strengthen brands. (Hankinton, 2004, p. 112).
• An institutional innovation is a new, embracing collaborative/organisational structure or legal framework that efficiently redirects or enhances the business in certain fields of tourism. (Lynch & Morrison, 2007, p. 46).

Bénédicte Aldebert, Rani J. Dang, Christian Longhi explore the structure of innovation in tourism. The findings of the study reveal the prevalence of various types of innovations as well as ongoing trends in tourism enterprises.

![Figure 1. Criteria of innovation (%).](source: Bénédicte Aldebert, Rani J. Dang, Christian Longhi, Innovation in the tourism industry: The case of Tourism@, Tourism Management, Volume 32, Issue 5, October 2011.)

In accordance with the data of this study, 70.7% of innovation in tourism is product or service innovation. Market innovation (psm) corresponds to major product innovation that is new to both the firm and the market (14.9%). Firm innovation (psf) occurs when firms introduce products or services that are new to the firm but already exist in the market (28.2%). Application innovation (psaf) is a minor innovation. It consists of improvements (in terms of performance or cost) to a simple product, through the use of higher performance components or materials, or a complex product through the introduction of changes to one of the integrated technical subsystems (27.6%).

Process innovation (pcs) is the implementation of a new or significantly improved production or delivery method. This includes significant changes to techniques, equipment and/or software. Process innovations may be aimed at decreasing the unit costs of production or delivery, to increase quality, or to produce or deliver new or significantly improved products (19.1%). An organisational innovation might be the creation or adoption of an idea or behaviour new to the organisation.
Marketing innovation (mkt) is the implementation of a new marketing method involving significant changes to product design or packaging, product placement, product promotion or pricing (9.2%). Marketing innovations are aimed at satisfying customer needs, opening up new markets, or positioning a new product, with the objective of increasing the firm’s sales. (Aldebert et al., 2011, p.1211).

The most commonly developed and applied innovations in the tourism and hotel industry are product innovations. It is important to evaluate the effectiveness of innovations and measure the obtained results. One of the most significant indicators that characterise the success of the organisation is the market value of the organisation and its dynamics. In this respect, Juan Luis Nicolau, María Jesús Santa-Maria conducted a research and evaluated the effect of innovations in hotel industry through the changing share price of the organisation. The study examines the effect through market value and by distinguishing the potentially different impacts of distinct innovation types: product, process, organisation and marketing. This research contributes to consolidating the empirical evidence of hotel innovation and performance by analysing whether distinct types of innovation lead to different levels of results. The findings show that innovations are perceived to have a positive impact on the future sales of the company. “In terms of innovation types, process and marketing innovations are found to have a higher positive effect on hotel market value than product or organisational innovations, which is explained by potential cost differences among innovations”( Nicolau et al., 2013, p. 71).

Overall, it can be claimed that a wider spectrum of categories should be applied in the tourism and hotel industry as the complex medium, by introducing managerial innovations, management innovations, and institutional innovations. Most of innovations in tourism are created in product category, but the greatest effect in enhancing the company’s value is created process and marketing innovations.

METHODOLOGY

In order to assess various factors that determine the attraction of investment of companies in high technology, various indices are being modelled, analysed and calculated. To assess the achievements of the EU member states and to demonstrate the advantages and disadvantages of the national research and innovation systems, the European Commission (EC) provides an aggregated index of innovation “Innovation Union Scoreboard 2013”. It is concluded by analysing the human resources, research and financial support. In accordance with “Innovation Union Scoreboard 2013” index, Lithuania ranks only 23rd out of 27 EU coun-
tries which is a moderate position for a modest innovator. Although it is 2 ranks above, compared with the rating of 2011, the index value is still less than half the average of the 27 EU countries, not to mention Sweden, Denmark, Germany and Finland, the leaders of the rating.

The innovation index concluded by the EC is a significant indicator. The application of achievements in the technological field, together with an entrepreneurial and innovative approach to products and services, leads to technological progress which promotes the increasingly growing productivity of the economic performance.

The opportunities provided by innovation, their inertia, changing consumerism needs of the new generation may be very closely linked to tourism. Taking into account that tourism is directly associated with the dynamics of the market, it is relevant to conduct a research seeking to evaluate the relationship between tourism business and innovation.

The aim of the research is to investigate the opportunities for the innovation impact on tourism business by analysing hotel business as the most important group of services.

Research Method

The research was conducted by interviewing professional experts from governmental tourism institutions and tourism business. The strategic tourism development is usually initiated by the Tourism Department under the Ministry of Economy of the Republic of Lithuania. Seeking to implement innovations, the representatives of tourism business are continuously observing the changes in consumer demand, are aware of the benefits of innovation, however, lack an insight into strategic planning processes. During the survey all decision makers – 6 professional experts (referred to as E1 – E6 below) representing the mentioned above two bodies were interviewed.

A qualitative semi-structured interview with field experts was selected as a research method. The interview method was chosen as the main data collection tool, considered to be an efficient approach to the human perception, values, definition of situations and the construction of reality. In the course of semi-structured interviews all respondents were given the same questions, however, their sequence and implications varied depending on the situation when talking to each respondent individually (Bryman, 2004. P. 106). This approach enables the maximum adaptability to the respondent in obtaining more genuine and detailed information.

A qualitative content analysis method was selected to carry out data analysis. The analysis is based on the interpretive perspective as a valid method, leading to draw specific conclusions from the text under analysis (Mayring, 2001, p. 1). Qualitative content analysis consists of several stages:
1. Repeated reading of the text (in this case – transcripts based on interview records);
2. Distinction of categories on the basis of “keywords”;
3. Division of categories into sub-categories;
4. Interpretation of categories and sub-categories and justification by pre-extracted evidence.

Research instrument

Interview questions (presented in the table below) comply with the aim of the research. The survey responses should reveal opportunities for the tourism business provided by process innovations (initiation process, significant measures, etc.). Questions targeted to identify practical application of innovations were formulated in accordance with the main categories of innovation process discussed in the theoretical section (Table 1).

<table>
<thead>
<tr>
<th>Interview Questions:</th>
<th>Function of the question:</th>
</tr>
</thead>
<tbody>
<tr>
<td>What would you consider to be innovation in tourism business? What is the essence of innovation?</td>
<td>Introductory questions. General understanding of innovation value in the tourism sector.</td>
</tr>
<tr>
<td>How are innovations being initiated in the tourism process, what stage of innovation is the Lithuanian tourism sector in?</td>
<td>Identification of opportunities for tourism innovations:</td>
</tr>
<tr>
<td>What product/service innovations are being introduced/promoted to be introduced at the national level?</td>
<td>Product and service innovations</td>
</tr>
<tr>
<td>What type of process innovations are being introduced in the Lithuanian tourism market and are they supervised by your organisation?</td>
<td>Process innovations</td>
</tr>
<tr>
<td>What kind of value chain innovations are being introduced in the Lithuanian tourism sector?</td>
<td>Value chain innovations</td>
</tr>
<tr>
<td>What communication innovations are being applied by tourism organisations, or what communication innovations in the market are you aware of?</td>
<td>Communication innovations</td>
</tr>
<tr>
<td>What kind of management innovations are being introduced in the Lithuanian tourism market and your organisation?</td>
<td>Management innovations</td>
</tr>
<tr>
<td>What institutional innovations are being promoted by tourism organisations in the country and how are they being promoted?</td>
<td>Institutional innovations</td>
</tr>
<tr>
<td>What benefit does the state gain from innovations introduced in the tourism sector and how can it be measured?</td>
<td>Aspects of innovation impact assessment</td>
</tr>
<tr>
<td>How significant is the role of main actors - the state, business and science- played in the innovation process?</td>
<td>Assessment of complex impact of innovations - the relationship between the actors of the innovation process</td>
</tr>
</tbody>
</table>
To avoid suggestive answers, the formulation of questions did not involve any specific examples of innovation. The respondents were expected to explain by themselves the significance of innovations in tourism business. Later, the analysis involved a search for key words, phrases, expressions to help identify opportunities for the development of innovations in the tourism sector of Lithuania.

It is important to point out that the interviews were semi-structured in nature, consequently, depending on the situation, in addition to the main questions presented above, additional questions were provided to clarify the information, to direct and control the conversation in the right direction to obtain more information required to achieve the aim of the research.

Selection of informants

Seeking to achieve the aim of the study, i.e., to identify the scope of opportunities for innovation in tourism business, individuals working in the strategic management of tourism were surveyed. These respondents were selected in accordance with combined convenience and purposive sampling methods.

The respondents, easiest to get in touch with, were selected by a convenient sampling method. This method is favourable to both the researcher and the respondent as they feel more comfortable during the survey which is more likely to provide richer, more detailed information (Koerber, McMichael, 2008, p. 456).

Purposive selection involves the selection, in accordance with certain criteria, of individuals who are most competent to answer the questions on the issue and whose opinion will be the most valuable. The purposive selection criteria must always reflect the aim of the study (Coyne, 1997, p. 626), in this case, corporate or sales executives of enterprises providing innovative tourism services, i.e., in hotels belonging to international chains or individuals responsible for introduction and management of innovations.

Respondents

In total, six interviews were conducted. The duration of an interview ranged from 25 to 45 minutes. The study surveyed representatives of tourism policy-making institutions and hotel business, who directly influence the process of innovation either in the country or the company:

- Chief Specialist of the Tourism Policy Division of the Ministry of Economy of the Republic of Lithuania;
- Deputy Director of the State Department of Tourism;
- Head of Lithuanian Hotel and Restaurant Association;
• Executive Director of the Lithuanian Resort Association;
• Head of the International Hotel Chain;
• Sales Manager of the International Hotel Chain.

Limitations of the study

It is important to note that qualitative data analysis is characterised by subjectivity, i.e., although it is based on objective data, primary sources collected during the interview, the interpretations and insights are subjective, i.e., provided by the researchers. Thus, qualitative findings do not apply to the entirety, in this case, to all service companies. These findings should be assessed as potential trends in human resource management or links or guidelines to projected research on innovation impact on tourism business, especially on hotel industry.

RESULTS

The research interviews with persons responsible for the introduction and management of innovations in tourism enterprises were transcribed literally. The qualitative content analysis was carried out in accordance with the data obtained. It is important to note that the interviews were transcribed without changing the authentic, natural language of the respondents so that information is not lost and the data would not be “removed” from the context, thus ensuring their reliability and more accurate interpretation.

The respondent answers were searched for the keywords that help to structure the obtained data into several categories and sub-categories. As a result of this procedure, the features of the key aspects (innovations in general and their individual categories in enterprises under investigation) under analysis were distinguished. These categories and sub-categories are presented in the tables, alongside with the respondent statements.

Firstly, the article presents the overall analysis of the value of innovations, later it provides the interpretation of opportunities for innovations in tourism.

General characteristics of innovations and their initiation

At the start of the survey, a complex question was given “What would you consider to be innovation in tourism business? What is the essence of innovation? “ The intention of this question was to reduce the tension of the respondent by telling him what is what, what is par-
particularly relevant, what he is aware of, i.e., general facts about innovation in the tourism sector or enterprise.

Responses to this question revealed that innovations were understood very broadly by finding associations with novelties, business competition, new technologies, etc. However, all respondents emphasised the practical benefit of innovation, “Innovation is being too theoretically evaluated, after all, its practical benefit is important. So innovation is likely to occur in politics as well, isn't it? Something that is newly invented and is unique or little-known should be considered as an innovation“ E6.

Thus, although the majority of respondents stressed the importance of innovation for tourism process or business, the results in the table below show that not all tourism professionals see the overall benefits of innovation or are able to identify the characteristics of the innovation (Table 2). It is important to note that the most accurate answers to this question were provided by respondents working as company or department directors who are also responsible for the development of tourism or tourism business. Therefore, it can be concluded that, as heads of the entire company, these respondents tend to be more aware of the overall value of innovation in the tourism industry.

The second question of the survey was targeted at assessing the initiation process of innovation. In fact, an initiative or an idea triggers the occurrence of innovation. Moreover, it takes a long period of time until they become implemented. How are innovations being initiated in the tourism process, what stage of innovation is the Lithuanian tourism sector in? The responses to this question allowed to identify the main trends. The first trend is visible in strategic state tourism development directions that are likely to initiate innovation. Unfortunately, so far little attention has been paid to this direction.

„It is not a process which is implemented in a planned manner<...>on the whole, it is a stage of awakening “E1.

“All of support instruments until 2013 have been oriented to innovations indeed. They enabled new services, new products and new infrastructure to appear. Perhaps the commencement of innovations can be linked mostly with the EU support to Lithuania” E3.

The second factor initiating innovation, as pointed out by the respondents, is the head of the enterprise. The hotel business representatives when talking about introduction of innovations distinguished the attitudes of executives and their significant role in introducing innovations. “In fact, innovation at the hotel is initiated by the manager, because our team has daily meetings and we share news, we decide if we want to take part in various ongoing activi-
ties or not” E4. The third factor involves the demanding customers, meeting the needs of whose is the most important evaluation result of the process. The respondents attributed great significance to this factor by emphasising the customers’ attitudes towards new technologies, corporate social responsibility, green movement, etc. “The clients, such as IBM, Microsoft, well known pharmaceutical companies, etc., themselves prefer us, since we are a service provider who’s actions they support. Therefore, they choose such a service provider and participate in the savings’ programme “. E4

Categories and sub-categories of responses are presented in Table 2.

Table 2. Value /characteristics and initiation of innovations

<table>
<thead>
<tr>
<th>Category</th>
<th>Sub-category</th>
<th>Statements</th>
</tr>
</thead>
<tbody>
<tr>
<td>Characteristics of innovations</td>
<td>Any type of innovations</td>
<td>“novelties“ E1</td>
</tr>
<tr>
<td></td>
<td></td>
<td>“this does not affect us” E2</td>
</tr>
<tr>
<td></td>
<td></td>
<td>“Innovation may be valued as just any tool that helps to attract tourist flows“ E3</td>
</tr>
<tr>
<td></td>
<td>New Technologies</td>
<td>“the process of using the newest and most innovative materials” E3</td>
</tr>
<tr>
<td></td>
<td>Tools developing competitive advantage</td>
<td>„Competition uses pressure and if you want to stay in business “you have to engage in surveillance and this “competitive advantage“ is going on here and now“ E4</td>
</tr>
<tr>
<td></td>
<td>Unique or little-known</td>
<td>“what is newly invented and unique or little-known should be considered an innovation“ E6</td>
</tr>
<tr>
<td>Initiation of innovations</td>
<td>National strategic development directions</td>
<td>“The Ministry of Culture has bustled emphasizing innovations “ E1</td>
</tr>
<tr>
<td></td>
<td>Support</td>
<td>“Innovation initiation can be attributed mainly to the EU support“ E3</td>
</tr>
<tr>
<td></td>
<td>Consumer requirements</td>
<td>“and the clients themselves“E4</td>
</tr>
<tr>
<td></td>
<td>Business executives and employees</td>
<td>“hotel innovations are initiated by the Head“ E4 “these are more individual initiatives“ E1</td>
</tr>
</tbody>
</table>

The following driving forces of innovation initiation can be distinguished: directly oriented state policy, the EU support, consumer links with innovations, a clear ambition to develop the tourism business and personal interest on behalf of the staff and the executive manager.

Product / Service Innovations

In assessing the achievements of the tourism market apparently it is not enough to evaluate the innovations generally, but their complex impact should be taken into account. Thus, the study provides a de-
tained description of the above mentioned categories of innovations (Hjalager, 2010, p. 2).

Taking into account the fact that over the last 5 years supplementary tourism services have been promoted in Lithuania apart from the existing main services such as accommodation, catering, accessibility, entertainment, etc., there are great opportunities to apply innovations in this area. (Jatuliavičienė et all, 2012, p. 376). “What product/service innovations are being introduced/promoted to be introduced at the national level?”

The respondent opinions on this issue did not divide. All the respondents suggested applying innovations to the development of major tourism products, i.e., conference, health, cultural, natural and recreational tourism.

“Over the period from 2007 to 2013 measures were orientated to the development of four main products - business, conferences, health and active tourism. Those were the main priorities. Those priorities remain in the following period, since there is a need to ensure the continuation of those measures“ E3.

However, the respondents also distinguish the weaknesses common to the tourism sector, such as seasonality, customer right protection, etc., linking them with innovative solutions. To summarise, it can be noted that the product/service innovation in business development is a very important factor and is already highly regarded by tourism professionals.

“A hotel product is very tangible <...> however, our biggest challenge is to reduce seasonality. And the measures to achieve it are health promotion and wellness, medical tourism, etc., i.e. complementing the accommodation with additional services such as conference tourism.” E1

“We have a conference centre and I do not think that this is a new service”. E5.

Summarising the results it should be emphasised that reasonable strategic decisions of the state play a crucial role in development of product and service innovations. The main strategic planning document of Lithuania, i.e., the “National Tourism Development Programme“ promotes opportunities for the development of various tourism products and services. Taking into account that over the period of 2010 – 2013, the most promoted tourism services involved those that reduce the seasonality of tourism and increase the range of services, develop five key tourism products, the business approach is directly in line with the supported services and products (NTPP, 2007, p. 8).
Table 3. Product and service innovation development opportunities

<table>
<thead>
<tr>
<th>Category</th>
<th>Sub-category</th>
<th>Statements</th>
</tr>
</thead>
<tbody>
<tr>
<td>Product/service innovations</td>
<td>Strategic national tourism products</td>
<td>“development of four main products - business, conference, health and recreation“ E3</td>
</tr>
<tr>
<td></td>
<td>Products reducing the seasonality</td>
<td>“health and wellness, medical tourism and so on“ E1 Druskininkai is a good example, there is no longer seasonality there“ E1</td>
</tr>
<tr>
<td></td>
<td>Innovative technological solutions, i.e., ensuring</td>
<td>“to maximize protection of the banking card data“ E5</td>
</tr>
<tr>
<td></td>
<td>the safety of the client</td>
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</tbody>
</table>

Product and service innovations in Lithuania is a process based on the strategic planning to promote tourism products that reduce seasonality, i.e., conference tourism as well as medical and wellness tourism. However, alongside with these processes, products developed under private initiatives are also visible, e.g., Druskininkai destination, as a successful result of not only development but also of brand management. Meanwhile, the opportunities for innovation in the development of various tourist services are not fully exploited yet and require more attention.

Process innovations

The changes introduced in business process management systems, Green Tourism initiatives, new requirements for services have a crucial impact on the ongoing tourism processes. (Kang et all., 2012, p. 567). “What type of process innovations is being introduced in the Lithuanian tourism market and are they supervised by your organisation?” This question was used to determine what processes in the area of tourism are associated with innovations that require new ideas and innovative solutions.

All representatives of tourism businesses mentioned a number of activities related to process innovations in tourism.

“We do! An association which has brought a totally new hotel classification system to Lithuania: Hotelstars Union (HSU).” E1.

“Lately our biggest change was when we started participating in the Green Engage programme. It is an eco programme which pays significant attention to food scrap utilization, the reduction of energy consumption, etc. At the same time, the hotel was renovated and electricity supply systems have been replaced, refurbished heating system and changes made by paying attention to environmental carbon emissions.<...> in 2012 we achieved the result: we reduced expenditure for electricity, water and heating by 50%. We invested a lot, but, in essence, long term cost recovery is unquestionable“ E4.

Experts of strategic planning in tourism while evaluating process innovations distinguish standardisation processes as the main tools,
undoubtedly, associated with the direct manifestation of their functions. “Quality management standards in the field of medical tourism could be attributed to such innovations” E3

In summary, it should be emphasised that process innovations are closely linked to the activities of strategic planning specialists, i.e., the development of standards and service requirements as well as business commitments, namely, application of regulations in seeking for a competitive advantage.

Table 4. Opportunities for process innovation development

<table>
<thead>
<tr>
<th>Category</th>
<th>Sub-category</th>
<th>Statements</th>
</tr>
</thead>
<tbody>
<tr>
<td>Process innovations</td>
<td>Classification of services</td>
<td>“we brought a new hotel classification system HSV to Lithuania” E1</td>
</tr>
<tr>
<td></td>
<td>Environmental or green programmes</td>
<td>“we started to take part in the Green Engage programme” E4</td>
</tr>
</tbody>
</table>

The service classification process involves a wide range of innovations so that tourist services provided in Lithuania fully meet the expectations of tourists from Europe and the world. HSU classification requirements, validated in Lithuania in 2013, should provide a broader variety of accommodation providers and more opportunities for their guests. Environmental programmes in business are also getting increasingly popular among socially responsible companies or in those companies which focused on cooperation with international companies that support environmental initiatives. (Bohdanowicz, 2006, p. 667). However, these initiatives are expensive for service providers and are not always visible for service consumers.

Value Chain Innovations

Tourism is mostly services business, so its value chains are usually very vibrant. (Tajeddin et all., 2012, p. 1120) What kind of value chain innovations are being introduced the Lithuanian tourism sector?

The importance of value chain innovations was exclusively positively assessed by the hotel representatives. The following specific aspects should be mentioned in tourism business activities: “Several aspects should be mentioned in the tourism business activities: the importance of outsourcing is growing” E1.

“As for Food and Beverage Department, all frozen products have been cancelled, and everything is purchased on that day; we don’t buy anything from the largest producers; we practically work with small farms after checking how sheep, pigs or cattle are grown, etc. Slow cooking/baking system is used to produce our food when thermal
processing is up to 75°C, but the production takes 2-3 days in order to preserve all the best nutrients and properties“ E4.

“Renovation started in the rooms using the newest innovative technology products. Let’s say, for the surfaces of bathrooms we use solid surface materials, which are applied in surgery to prevent the accumulation of microbes, etc. <...> This also simplifies maintenance. There are the lighting management menus in the rooms which enable to select the light suitable for reading, calming light, etc. In this way savings are made, but also attention is paid to client wishes.“ E4.

Visa and MasterCard data protection is becoming more and more imperative; therefore, we apply very strict security requirements in order to maximize the bank card data protection and to minimise the possibility to copy. We are far advanced, we are trying to ensure that it would not happen in our hotel and this requires technological solutions as it costs money“ E5.

In summary, the research suggests that business representatives associate more opportunities for innovations with business solutions rather than strategic planners. Consequently, it can be claimed that the element of innovation leverage in the process of value chain innovations is applied to a much greater extent in business enterprises than strategic planning professionals can imagine. Undoubtedly, emphasis must be laid on the fact that opportunities for interpretation of product and service innovation vary depending on the nature of services provided and are closely linked to economic opportunities for business. (Tosun, C 2001, p. 301. Molina-Azorín et all, 2008, p. 520. Nelson et all, 1993, p. 301)

Table 5. Opportunities for value chain innovations development

<table>
<thead>
<tr>
<th>Category</th>
<th>Sub-category</th>
<th>Statements</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value chain innovations</td>
<td>Various forms of services management</td>
<td>“outsourcing is becoming increasingly important“ E1</td>
</tr>
<tr>
<td></td>
<td>Contracts with owners of local farms</td>
<td>“we do not buy anything from major manufacturers &lt;...&gt; basically we work with small farms“ E4</td>
</tr>
<tr>
<td></td>
<td>Saving by increasing the quality of new materials and on the basis of technologies</td>
<td>“renovation of rooms has started, to the use of the the newest, most innovative technological materials are in use ... thus, we are saving but according to customer desires“ E4</td>
</tr>
<tr>
<td></td>
<td>Exclusive value of service on the basis of technologies</td>
<td>“we are well advanced, we try to prevent this from occurring in our hotel and for this we need technological solutions“ E5</td>
</tr>
</tbody>
</table>

Value chain innovations in Lithuania are associated with two directions of activities, i.e., diversity of services management as traditional
outsourcing services or fixed-term contracts with organic farmers as well as technological innovations that create new opportunities and exclusive value of service. However, a particularly significant factor in this innovation category is modernisation of technologies. New tools and technologies facilitate the creation of added value, instantly satisfying tourist expectations and opportunities.

Communications Innovation

The analysis of both the external and internal business communication is associated with the changing society, the Internet, social networks, new technological possibilities, new management practice and a wide variety of other principles. (Jung et al. 2008, p. 633). What communication innovations are being applied by tourism organisations, or what communication innovations in the market are you aware of?

“Marketing is carried out in several languages in social networks. <...> A range of innovative solutions by Vilnius TIC are to be mentioned too, as well as Druskininkai with Smart – Druskininkai “E6.

“Selling hotel services by the Internet channels is more relevant. People more and more choose services independently and they are less and less dependent on tourism business, because <...> the user himself can choose with the help of on-line services. <...> For businesses the question of service provision is becoming more and more significant so that “I would be chosen”, but not my neighbour or a competitor, regardless of the term “E5.

“The Internet... since everything is moving to the Internet space, with the Western World we are communicating virtually. <...> However, there is a need for a permanent channel in order to promote tourism through art, design, etc. “E1

“We have refused the traditional marketing tools and don’t participate in this process. Our own employees, heads of units, are busy and once a month take part in SocialMedia trainings during which we strategise ‘what can we do’, and unit heads later organise and implement activities related to their units in the social media “E4

This issue was the most attractive to respondents. Everyone had an opinion about the right and wrong communication in tourism. However, the most commonly mentioned improvement measures of communication show that tourism services are increasingly subject to new tools like social networking, dissemination of information via the Internet and opportunities provided by smart phones do not reflect all the opportunities for innovations in the development of communications.
Table 6. Opportunities for communication innovations development

<table>
<thead>
<tr>
<th>Category</th>
<th>Sub-category</th>
<th>Statements</th>
</tr>
</thead>
<tbody>
<tr>
<td>Communication innovations</td>
<td>Internet opportunities</td>
<td>“online sales of hotel services is becoming more relevant to all” E</td>
</tr>
<tr>
<td></td>
<td></td>
<td>“Internet, because everything is transferred to online spaces” E1</td>
</tr>
<tr>
<td></td>
<td>Social networks</td>
<td>“a marketing project Like in social networks” E6</td>
</tr>
<tr>
<td></td>
<td></td>
<td>“heads of departments later organise and implement activities related with the department in social networks” E4</td>
</tr>
<tr>
<td></td>
<td>Use of smart phones use</td>
<td>“for internal communication, all employees have smart phones ‘Blackberry’” E4</td>
</tr>
</tbody>
</table>

Both, the tourism policy in Lithuania and businesses are oriented at deployment of the Internet, social networks, smart phones as today’s innovations offering great opportunities. However, this is a very dynamic area, thus, the ability to understand the persistence of a modern customer, to spot him and the ability to grab his attention in providing services or developing a new destination are the challenges of the modern market and namely innovations provide them with unique opportunities.

Management innovations

Management of both, business and governmental organisation is a complex process where innovations can be applied to the management process as well. “What kind of management innovations is being introduced in the Lithuanian tourism market and your organisation?”

“On the national level, the best example could be the cooperation with the UN World Tourism Organisation, since recently several capacity building projects are being implemented together with this organisation. Their experts come here and carry out the trainings for tourism specialists” E3. “Trainings using innovative solutions in order to teach how to become innovative are certainly not conducted. However, trainings on innovative solutions to TIC specialists are certainly being carried out. <...> Technologies help the work of TIC specialists themselves, since they enable not only to create a tourist map, but also to enable its printing or its use in publishing since until now it was a problem. If we speak about the training of employees, certainly we connect the trainings with innovations and it happens regularly. After all, there are no trainings how to create a brochure in the market, but the market is oriented to smart programmes, etc.” E6.

“In our business we have a motivational programme for employees called STAY REAL, the core of which is that the employee has to do
something special to our guest and at the end of the month the best employee of the month is selected. Also, we take part in the retirement fund programme III stage, which is a novelty in itself where the employer adds extra 60% to the amount contributed to the retirement fund. There are very few firms which support such incentives, when their employees contribute 100 LTL, the employer adds extra 60 LTL. This activity started in 2014. There are break rooms with internet set up for the employees to have coffee, tea, etc. <...> We have got many trainings, we conduct medium term trainings as well as we have the chain requirements’ trainings abroad. Even if there is only one new employee, we organise individual trainings. “Human resource management is a particularly sensitive area and work with employees is a continuous process.”

Management innovations are closely related to the staff or employee training. All the respondents agreed that training applies innovative teaching methods, also possible “innovative thinking” in the services sector in particular was also mentioned. These examples show a progress and dynamics in tourism business and places high demands on the service provider.

Table 7. Opportunities for management innovations development

<table>
<thead>
<tr>
<th>Category</th>
<th>Sub-category</th>
<th>Statements</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management innovations</td>
<td>Training of employees</td>
<td>“UNWTO experts arrive and conduct training sessions for tourism professionals”. E3</td>
</tr>
<tr>
<td></td>
<td>Motivation programme of employees</td>
<td>“the employee has to do something special for our guest” E4</td>
</tr>
<tr>
<td></td>
<td></td>
<td>“participation in third-stage pension fund” E4</td>
</tr>
<tr>
<td></td>
<td>Improvement of working conditions for employees</td>
<td>“employees are provided with equipped lounges with access to the internet” E4</td>
</tr>
</tbody>
</table>

Institutional Innovations

The question “What institutional innovations are being implemented by tourism organisations in the country and how are they being promoted?” was attractive to the representatives of public service institutions only, as it is a comparatively rare innovation in international business.

“Perhaps, as a good example, one could demonstrate a health cluster. The town clusters, such as Anykščiai or Biržai, resemble more the functions of Tourism Council, while a Health Cluster idea, which rises from a solid strategy and notion that there is a need to unite and that the cluster is not only medicine, but also tourism, science and many other things. Perhaps, this example is the best” E6. “So far, the town
clusters are on the level of the location where the town tourism sector service provides get together and simply unite their efforts, prepare joint tourism products; those are more of the type of marketing clusters. “E3

This question was the most difficult for all respondents. Business representatives understood this question as a tool for free cooperation, without relating it with its legal obligations, while the representatives of the state and associations, first of all, named the institutional cluster form. However, three experts (of the four who mentioned clusters) associated cluster with the territorial dimension rather than the institutional cooperation or a legally based business cooperation form.

Table 8. Opportunities for institutional innovations development

<table>
<thead>
<tr>
<th>Category</th>
<th>Sub-category</th>
<th>Statements</th>
</tr>
</thead>
<tbody>
<tr>
<td>Institutional</td>
<td>Creation of tourism</td>
<td>“the health cluster should be pointed out” E6</td>
</tr>
<tr>
<td>innovations</td>
<td>clusters</td>
<td>“urban clusters are more of local level” E3</td>
</tr>
</tbody>
</table>

Institutional innovations in Lithuania are considered to be mergers - clusters, however, a misinterpretation of this chain is also noticeable in creating clusters of locations, the main purpose of which is to carry out joint marketing without any vision of broader opportunities. (Kučinskienė et al. 2013, p. 185). Nevertheless, this is a temporary process which should regulate itself in the future, depending on market needs and opportunities.

The benefit of innovation. How can it be measured?

The enterprise that first provides a service or product developed by new technologies to the market always gets a double benefit. It gains a competitive advantage by making a significant step in reducing its costs and is the first to make use of the inertia of a potential customer for new products until the product of an unfamiliar quality to him has been accepted.

In order to assess various factors that determine the attraction of investment in high-tech to be introduced in enterprises, the following issue was examined: “What benefit does the state gain from innovations introduced in the tourism sector and how can it be measured?”

“There were no indicators which could measure the development of innovations, i.e., how many innovations were introduced during 2007 – 2013, therefore, it is difficult to measure their benefit as well as to connect to innovations, but on the other side, generally speaking, innovations enable us to stay competitive, enable to attract more tourists, to receive more income from tourism, so we have measured
those indicators for this period and we can see that those measures have had positive impact“E3.

“The benefit of innovations is measured by the feedback of the stream of arriving tourists”E1.

“The best way to show it is through income and labour. To work smarter and not harder.<...>Therefore, the effect of innovations is the improved quality, the reduced costs of maintenance and the increased number of clients“E4.

“The number of tourists is not a sufficient indicator since the benefit of innovations is much wider“ E6.

Table 9. Innovation impact assessment forms

<table>
<thead>
<tr>
<th>Category</th>
<th>Sub-category</th>
<th>Statements</th>
</tr>
</thead>
<tbody>
<tr>
<td>Impact of introduced innovations</td>
<td>Competitiveness</td>
<td>“innovations help us to remain competitive“ E3</td>
</tr>
<tr>
<td></td>
<td>Direct impact, i.e., increase the flow of tourists</td>
<td>“help to attract more tourists to get more income from tourism ” E3</td>
</tr>
<tr>
<td></td>
<td></td>
<td>“we measure by feedback, by calculating the incoming flow of tourists” E1</td>
</tr>
<tr>
<td></td>
<td>Increase in profitability</td>
<td>“this is shown by the profit and productivity” E4</td>
</tr>
<tr>
<td></td>
<td>Complex assessment</td>
<td>“a common unit of measurement in principle is not possible... the benefits of innovation are much broader” E6</td>
</tr>
</tbody>
</table>

The forms applied in assessing the innovation impact still can be considered an open question, which must be investigated in further research. The respondent opinions on the matter strictly divided. The first named aspect was that the assessment of innovation should be measured by a competitive advantage, that is, if the innovation is required to help win the competition. The second approach was very specific - innovation benefits must be assessed by its direct impact, i.e., the increase in profit or in the amount of consumers. The third approach was complex, i.e., the benefits of innovation must be assessed by a complex macro effect. Further research needs to examine in more detail how the benefits of innovation could be measured seeking business competitiveness and a positive complex impact.

Innovations = business & science & politics

Seeking to understand the phase of the process of innovations and its weakest links, the study focused on another interesting aspect, i.e., How significant is the role of main actors - the state, business and science- played in the innovation process? The majority of experts provided the same answers. In summary, one of the answers was as follows:
“At least over the period of 2007 - 2013, the state’s role in promoting innovations was mainly associated with the provision of necessary financial resources, promotion of certain initiatives. The role of business role - it was related to the implementation of projects. And science has largely remained on the sidelines, of course, some of the measures, some of the actions and ideas are implemented on the basis of certain research, but closer cooperation with science was lacking." 

This aspect was particularly relevant for researchers, as it justified the relevance of this study. On the other hand, the investigation showed that there are a lot of possibilities to carry out research in the field of tourism business.

GENERALIZATIONS, CONCLUSIONS, RECOMMENDATIONS

In Lithuania, so far there is a lack of clear reasoned assessment of the impact of innovations, based on quantitative indicators from the economic, retrospective and perspective point of view. There is no long-term vision that is built on the expertise of other countries and on the national experience gained over the last twenty years, or based on the statistical information, enabling to project further reasonable long-term insights.

The opportunities provided by innovations are easily perceived by applying the categories suggested by A.M. Hjalager, as tested by the conducted research. However, targeting at a more productive activity by applying innovations one has to deploy effective driving forces enabling to enhance the Lithuanian innovation index and facilitating a stronger competitive advantage in tourism development.

When summarising the results given in the table, it is necessary to explain the basis for the calculation of innovation promotion points (marked +). The points were given if the respondent answering the question referred to the aspect on the left, e.g., As for innovation initiation process, only E4 respondent mentioned a customer as an element in promoting innovation, while the national strategic processes in promoting innovation process were mentioned by four of the six respondents.

Thus, in order to attain the aim of the study, based on research data, it is possible to highlight certain elements of the innovation promotion seen in the table. The strongest element in the promotion of innovation is considered to be new technology (referred to in almost every innovation group), while the development of responsible tourism, seeking to gain a competitive advantage, enhancing staff responsibility to innovations still need to been taken into account.
Table 10. Innovation promoting ideas and elements based on the results

<table>
<thead>
<tr>
<th>Innovation promoting ideas and elements</th>
<th>E1</th>
<th>E2</th>
<th>E3</th>
<th>E4</th>
<th>E5</th>
<th>E6</th>
<th>Total:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Initiation of innovations:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>• National strategic decisions</td>
<td>+</td>
<td>+</td>
<td>+</td>
<td></td>
<td></td>
<td></td>
<td>4</td>
</tr>
<tr>
<td>• External factors of business factors (e.g. seasonality)</td>
<td>+</td>
<td>+</td>
<td>+</td>
<td>+</td>
<td></td>
<td></td>
<td>3</td>
</tr>
<tr>
<td>• Internal business factors (e.g. manager)</td>
<td>+</td>
<td>+</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2</td>
</tr>
<tr>
<td>• Consumer requirements</td>
<td>+</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1</td>
</tr>
<tr>
<td>Product and service innovations:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>• Competition</td>
<td>+</td>
<td>+</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2</td>
</tr>
<tr>
<td>• Business stabilisation measures (reducing the effects of seasonality)</td>
<td>+</td>
<td>+</td>
<td>+</td>
<td>+</td>
<td>+</td>
<td></td>
<td>6</td>
</tr>
<tr>
<td>• Innovative technological solutions</td>
<td>+</td>
<td>+</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2</td>
</tr>
<tr>
<td>Process innovations:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>• Quality service requirements</td>
<td>+</td>
<td>+</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3</td>
</tr>
<tr>
<td>• Environmental or green programmes</td>
<td>+</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1</td>
</tr>
<tr>
<td>Value chain innovations:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>• Exclusive value of service</td>
<td>+</td>
<td>+</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3</td>
</tr>
<tr>
<td>• Saving by means of new technologies</td>
<td>+</td>
<td>+</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2</td>
</tr>
<tr>
<td>Communication innovations:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>• Opportunities for direct communication with the client through social networks</td>
<td>+</td>
<td>+</td>
<td>+</td>
<td>+</td>
<td>+</td>
<td></td>
<td>6</td>
</tr>
<tr>
<td>• Opportunities for reaching large audience via the Internet</td>
<td>+</td>
<td>+</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3</td>
</tr>
<tr>
<td>• New communication technologies (e.g. smart phones, etc.)</td>
<td>+</td>
<td>+</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3</td>
</tr>
<tr>
<td>Management innovations:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>• Employee motivation</td>
<td>+</td>
<td>+</td>
<td>+</td>
<td></td>
<td></td>
<td></td>
<td>5</td>
</tr>
<tr>
<td>• Employee responsibility</td>
<td>+</td>
<td></td>
<td>+</td>
<td></td>
<td></td>
<td></td>
<td>2</td>
</tr>
<tr>
<td>Institutional innovations: new business forms (pvz.: clusters)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>+</td>
</tr>
<tr>
<td>• New communication technologies (e.g. smart phones, etc.)</td>
<td>+</td>
<td>+</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4</td>
</tr>
<tr>
<td>The benefit of innovation</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>This question was asked for summarizing the evaluation of whether all aspects mentioned in the questionnaire were evaluated *</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Total:</td>
<td>8</td>
<td>5</td>
<td>5</td>
<td>14</td>
<td>12</td>
<td>8</td>
<td></td>
</tr>
</tbody>
</table>

* Responses are not presented in detail because the question summarizes the survey

The development of tourism business in Lithuania should increasingly focus on the interpretation of innovation benefits seeking to reach a uniform understanding of its value between business representatives.
and policy-makers. There is a strong likelihood that failure to understand the real meaning of innovations can result in tourism business development under the name “innovative” without any involvement of any innovations.

The tourism marketing process undergoes the strongest demand for innovativeness due to opportunities offered by modern communications, therefore, professional practices in this area, foreign experience and scientific research should be exclusively promoted.

The assessment of the innovation benefits needs to be researched in detail in order to develop methodology enabling to measure complex tourism services. Therefore, positive indicators of business development and entrepreneurship, the changing attitude towards the development of goods and services is the best tool to evaluate the benefits of innovation.

The association between business and the state in the innovation process is observed in Lithuania, which results in positive outcomes, yet, the involvement of science is still minimal. In the future, attempts should be made to gain more of scientific input into the development of tourism in Lithuania, as new increasingly changing market opportunities can be either an advantage for a slowly-developing tourism sector, or a reason to remain a small and unknown country.

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SEASONALITY OF EXPENDITURES OF POLISH HOUSEHOLDS ON ORGANIZED TOURISM AND ITS DETERMINANTS

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University of Life Sciences in Poznan, Poland

ABSTRACT: The demand for tourism services, including organized tourism, is prone to seasonality understood as quantitative changes repeating regularly in seasonal periods. The main sources of seasonality are natural, as weather changes, or institutional, as the time of vacation breaks. The adverse impact of seasonality on economic activity manifests itself in disproportionate operating costs due to low season underutilization of the existing infrastructure. The paper aimed to characterize the organized tourism expenditures of Polish households in four quarters of 2005 and 2010, both in terms of volume and participation. The changes in quarterly concentration of the demand in the studied years were captioned by the Gini coefficient. Moreover, an attempt was undertaken to evaluate the interaction of quarterly seasonality effect with various demographic, social, and economic determinants of organized tourism demand in Poland. The study showed that in both studied years the largest percentage of Polish households spent on organized tourism in the 2nd and 3rd quarters (around 14% of all households). The average quarterly level of expenditure per person was highest in the 3rd quarter, but the second highest was noted in the 1st quarter. The seasonality index (Gini coefficient) of both participation and expenditure level was slightly lower for 2010 than for 2005. Furthermore, lower seasonal concentration of demand was found for households with higher disposable income, better education or age (above 50 years old) of the household head. Key words: seasonality of tourism demand, effective tourism demand, organized tourism

INTRODUCTION

The demand for tourism services, including organized tourism, is prone to seasonality understood as quantitative changes repeating regularly-

1 Potential demand encompasses all needs existing at a given time that could have been satisfied had it not been for the scarcity of resources. If the potential demand can be satisfied (i.e. with sufficient purchasing power), it becomes the effective demand (Niezgoda, 2012). In this paper we will only examine the effective demand related to organized tourism.

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Seasonality of Expenditures

larly in seasonal periods with more or less the same timing and magnitude (Baron, 1975). Butler (1994) described seasonality as: “A temporal imbalance in the phenomenon of tourism, which may be expressed in terms of dimensions of such elements as numbers of visitors, expenditure of visitors, traffic on highways and other forms of transportation, employment and admissions to attractions.” The main sources of the seasonality are natural (the climate and weather, temperature, insolation, precipitation), institutional (the dates of vacation periods, state and religious holidays), or social (fashion, sporting calendars, and inertia or tradition) (Baron, 1975; Butler, 1994). Moreover, Butler and Mao (1997) distinguish between the sources in the origin and receiving areas, which do not act independently but interact with each other.

The concentration of tourism demand during the high season carries certain social, economic, and environmental threats. First, it results in the temporality of jobs and the off-season lack of employment (Yacoumis, 1980). Second, it affects the economic activity of the entire industry, from hotels, inns, and other lodging to transportation and catering businesses, which translates into disproportionate operating costs due to low season underutilization of the existing infrastructure (Baron, 1975; Demelas, 2009). Finally, it exerts significant and negative pressure on the environment: aggravates the levels of air pollution, depletes the water resources, hastens the devastation of coastal areas, generates increased noise disturbance that threatens habitats of birds and other species (Butler, 1994). All in all, most authors consider seasonality a problem to tackle with, though some note that it might not always be totally negative, especially for the destinations, where the approaching off-season signifies a respite for local residents and environment (Murphy, 1985; Lundtorp et al., 1999).

It is not only the destination area that is influenced by seasonality of tourism. On the origin side the governments and organizers (travel agencies, tour operators, and other travel businesses) struggle to moderate its effects. Fluctuating and unpredictable sales revenues combined with the necessity to incur serious pre-season financial obligations may result in the loss of liquidity and insolvency, especially in the industry so susceptible to non-economic factors such as political revolts, terrorist attacks or volcano eruptions. As early as in the 1970’s Baron observed that despite difficulties in overcoming the problem, there are ways to arrest the growing seasonality: extending peak-seasons by developing a tourism product irrelevant to seasonality, promoting a pricing differentiation model, and multiple use schemes (Baron, 1975). Bearing in mind that tourism is an important social and economic activity, that it reflects the level of living of the citizens and gauges the human development of the society (Turystyka..., 2011) some decisions to lessen the effects of seasonality
are being undertaken nowadays on the national or regional level, e.g., the establishing of different dates of winter break for different provinces. Some European countries have introduced special programs addressed to senior citizens of EU with the attractive for this group conditions, e.g., “50+”. In Poland, too, the regional governments have noticed that attracting the seniors could bring benefits to the local economy. One example is the TOURage – a program designed to stimulate participation of senior citizens in tourism in peripheral regions. As noted by Śniadek (2007): “seniors can be instrumental in levelling the detrimental to the industry phenomenon of seasonality as they prefer to go on vacation off-season. Among all groups of Polish tourists they are the least represented in summer and winter and most in spring and fall”. Another way to moderate the effects of seasonality is promotion of the social tourism, which is addressed to a broader spectrum of socio-economic groups and which “has developed from being an economic form of safeguarding the right to leisure for low income groups into a deliberate instrument of long-term stimulation of development of tourism in the [poorer] regions”: (Kosmaczewska, 2010). This promotion is typically conducted by the provincial governments in conjunction with local business partners.

Some methods to assuage the effects of seasonality are employed on the business level, by hotels and other lodging owners and include off-season discounts, special weekend packages, and new product offers aimed to attract new consumer groups (Lee, 2008). Travel agencies also have pre-season offers, commonly called First Minute (not to be confused with Last Minute), which are supposed to smooth out the peaks and troughs of the revenue inflow in exchange for slightly lower margins. The use of pre-season offers also helps the organizers gather funds for advances or identify developing sales trends. Moreover, with the realization that high degree of standardization of the mass tourism comes with a price of equally high degree of seasonality, the organizers have been increasingly focusing their attention on more refined products directed to modern tourism consumers, which tend to take place off-season (Demelas, 2009). Still, the negative economic effects of seasonality will never be totally eradicated and some part of the industry will always need the financial help provided by the public authorities, as the relatively low returns on capital, being a consequence of inflexibility of underutilized capital assets, make it difficult to attract investors from the private sector (Mathieson & Wall, 1982).

The article aims to analyze the quarterly variation of the realized demand for the organized tourism as a whole, and for the domestic, outbound, and youth organized tourism in particular. The study has been conducted quantitatively, analyzing in each quarter both frac-
tions of households participating in organized tourism and the levels of their expenditures. The analysis covered 2005 and 2010, which helped to determine what changes, if any, have taken place in the five years after the Polish accession to EU. The changes in quarterly concentration of the demand have been captured using the Gini index. Furthermore, an attempt was undertaken to identify the interactions of selected demographic, social, and economic factors with the quarterly seasonality of demand for organized tourism among the Polish households.

MATERIAL AND METHODS

The calculations were based on raw micro data from the Household Budget Surveys conducted by Polish Central Statistical Office in 2005 and 2010. In 2005 roughly 8,700 households were surveyed in each quarter, which summed up to 34,767, while in 2010 around 9,300 households every quarter added up to 34,412. The survey was representative for the entirety of Polish households.

Every quarter of both years the fraction of households declaring expenditures on organized tourism was calculated together with the average level (in PLN/quarter/capita) of the expenditures. The calculations were adjusted for inflation by sub-indices for organized tourism sub-category published annually by the Central Statistical Office on its webpage, www.stat.gov.pl. Three different forms of organized tourism were taken into account: domestic, outbound, and youth tourism. The changes of quarterly concentration of the participation in and the volume of organized tourism between 2005 and 2010 were captured by the Gini coefficient calculated from the following formula (Panek, 2011):

\[ G = \frac{1}{2yn^2} \sum_{i=1}^{n} \sum_{j=1}^{n} |y_i - y_j| \]

---

2 The expenditures are recorded as part of “durable goods, real estate, and other rare expenditures quarterly interview” of the Household Budget Survey (Metodologia Badania Budżetów Gospodarstw Domowych, p.25).

3 The expenditures on organized tourism included the payments for organized excursions, vacations (domestic or outbound), summer or winter camps (Budżety Gospodarstw Domowych w 2005 r., Budżety Gospodarstw Domowych w 2010 r.).

4 Henceforth, whenever the term “participation” or “participation in tourism” is used, it will mean, unless otherwise stated, the percentage share of all or of a group of Polish households that reported in a given year any incurrence of expenditures on organized tourism, or on a given form thereof.
where $n$ is the number of quarters, i.e. 4, $y_i$ is the fraction of households that declared some organized tourism related expenditures (or the average volume thereof) in a given quarter, and $\bar{y}$ is the average of $y_i$ over the four quarters. The value of the Gini index varies between 0, when the participation (or average volume) is the same in every given quarter, and 1, when the participation is observed only in one quarter. The first situation is indicative of no seasonality effect while the second one is of maximum possible seasonality. Many authors emphasize the suitability of the Gini index as a measure of seasonality of the tourism demand as it shows stability and robustness to outliers (Wanhill, 1980) and being a measure that satisfies the Pigon-Dalton principle, it falls down when a transfer occurs from a quarter of higher participation to a quarter of lower one (Rosselló et al., 2004).

With the attempt to find possible interactions of demographic, social, and economic factors with the seasonality, Gini indices were calculated for the demand variables (participation and average level of expenditures) of the identified classes corresponding to the considered factors. For example, for interactions with the income level the analyzed households were divided into four classes – quartile groups with respect to the household’s disposable income per capita – and the Gini indices were calculated for each one.

Changes in the quarterly structure of participation (or of the average level of expenditures) between 2005 and 2010 were captured using a simple index of similarity of structures (Wysocki & Lira, 2005):

$$
\mu = 1 - \frac{\sum_{i=1}^{4} |c_i(2010) - c_i(2005)|}{2}
$$

where $c_{i(\%)}$ is the share of the $i$-th quarter in the total participation (or in the average level of expenditures) in the $j$-th year. The values of this measure vary between 0 and 1, where 1 is indicative of perfect similarity. In this paper, the values were calculated for each of the considered types of organized tourism, i.e. domestic, outbound, and youth.

RESULTS

**Seasonal household participation in organized tourism**

The percentage of Polish households that reported any expenditures on organized tourism varied in 2005 between 4.9% in the 1st...
quarter and 13.2% in the 2nd quarter. The corresponding percentage in the 4th quarter was almost as low as in the 1st, and in the 3rd quarter was almost as high as in the 2nd: 5.0% and 13.0%, respectively (Fig.1). In 2010 the participation rose, but the rise was not even: in the 1st and 3rd quarters it amounted to 2 pp (percentage points) while in the 2nd and 4th to only 1 pp. In 2010 the households still spent mostly in the quarters of spring and summer, only that year the percentages were 14% and 15% in the 2nd and 3rd quarters, respectively.

The increased interest of Polish consumers in organized tourism may be testified to by the growing number of travel agencies, which between 2005 and 2010 multiplied by 17%. According the data of the Institute of Tourism the number of travel agencies registered in the Central Register of Tourism Organizers and Intermediaries was 3074 in 2010 (Biura ..., 2010).

The reasons for the increase can be found mainly in the economic environment of the Polish households: the growing GDP and real wages, steady unemployment rate, and the changing consumption structure. Between 2005 and 2010 the real Gross Domestic Product per capita rose by 25.7% (Produkt..., 2012). Many authors (Wołejko, 1998; Dziedzic & Skalska, 2012) point to disposable income per capita as the main determinant of demand in general. The demand for organized tourism services, which are considered non-essential goods, will only be realized from a fund of discretionary expenditure decisions (Urbaniec, 2011), i.e. after all the essential needs have been satisfied. In 2010 the Polish households’ real disposable income per capita was 20.4% higher than in 2005 amounting to 23,200 PLN (Produkt..., 2012). In the same period the Household Budget Survey conducted by Central Statistical Office showed a drop of 3 pp in the share of expenditures on food and nonalcoholic drinks (to the level of 24.8% in 2010), which is symptomatic of improving financial condition of the households and of growing fund of discretionary spending decisions.
The changes between 2005 and 2010 in the effective demand for the three analyzed types of organized tourism showed a substantial increase of interest in the outbound tourism. This may partly be due to the low starting point in 2005: from 0.9% in the 1st quarter to 2.3% in the 3rd quarter. The increase is observed in all four quarters: from only 0.4 pp in the 4th to 1.1 pp in the 2nd and 1.5 pp in the 3rd quarter. In both years the spending on outbound organized tourism was most frequently observed in the 3rd quarter.

The changes in participation of the households in the domestic organized tourism were less pronounced. The increase in the percentage of households that were spending on this type of organized tourism between 2005 and 2010 was only 1 pp in the 1st and 3rd quarters and 0.2 pp in the 4th quarter. In the 2nd quarter there was no change. As was the case of outbound tourism, in both years

Figure 1: The percentage of households spending on three types of organized tourism in the four quarters of 2005 and 2010

Source: own work based on micro data from the Household Budget Survey conducted by Central Statistical Office in 2005 and 2010
the participation in domestic organized tourism concentrated in the 3rd quarter.

The slightest changes between the analyzed years were observed in the incurrence of expenditures on youth organized tourism. There was a small increase in the 2nd, 1st, and 4th quarter of respectively 0.2 pp, 0.4 pp, and 0.6 pp. and a drop in the 3rd quarter of 0.2 pp. This phenomenon may be due to the declining interest in such forms of leisure as scouting, or in summer camps in general. Hence the concentration of this type of expenditures in the 2nd quarter, when typically school excursions are organized in Poland. It may also be that these forms of tourism are being displaced by others, in particular by organized outbound family vacations. The growing affluence of Polish households is observed to find a swift and flexible response on the supply side of the market with a wide selection of new and attractive offers directed at families with children (Głowicka-Wołoszyn et al., 2013).

Using the Gini index to analyze the concentration of quarterly participation of households in organized tourism one can observe reduction in seasonality between 2005 and 2010. Among all three forms of organized tourism in 2010 the smallest concentration characterized the participation in youth tourism, then in outbound tourism, and finally a large one in domestic tourism. The observed falls in seasonality might not be striking, but are noticeable. They can be likened to similar reductions in seasonality of tourist flow found by Callejo (2004) and Halpern (2014) in Spain and Norway, respectively.

Table 1: The Gini index – concentration of quarterly participation in organized tourism

<table>
<thead>
<tr>
<th>Years</th>
<th>Gini index</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Organized tourism - together</td>
</tr>
<tr>
<td></td>
<td>domestic</td>
</tr>
<tr>
<td>2005</td>
<td>0.30</td>
</tr>
<tr>
<td>2010</td>
<td>0.27</td>
</tr>
</tbody>
</table>

Source: own work based on micro data from the Household Budget Survey conducted by Central Statistical Office in 2005 and 2010

The seasonal structure of all households that have reported any expenditures on organized tourism (together on any of the three forms, and separately) was analyzed with respect to the quarters in which the expenditures were incurred. It was observed that 36.6% of all households that in 2005 had reported expenditures on organized tourism did so in the 2nd quarter, 35.9% in the 3rd quarter, and roughly 14% in the 1st, and in the 4th quarters. In 2010 the corresponding percentages
were 35.6% in the 3rd quarter, 33.8% in the 2nd, 16% in the 1st, and only 14.6% in the 4th quarter. One can observe that the quarterly structure of incurred expenditures on organized tourism did not experience any radical change between 2005 and 2010, which can be confirmed by the calculated values of the index of similarity of structures.

![Seasonal structure of the total participation in organized tourism in 2005 and 2010](source)

Source: own work based on micro data from the Household Budget Survey conducted by Central Statistical Office in 2005 and 2010

**Table 2: Index of similarity of structures for the seasonal structures of participation in organized tourism in 2005 and in 2010**

<table>
<thead>
<tr>
<th>Organized tourism</th>
<th>including:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>domestic</td>
<td>outbound</td>
</tr>
<tr>
<td>0.97</td>
<td>0.96</td>
<td>0.98</td>
</tr>
</tbody>
</table>

Source: own work based on micro data from the Household Budget Survey conducted by Central Statistical Office in 2005 and 2010

The seasonal level of households expenditures on organized tourism

Analyzing the average quarterly level of expenditures on organized tourism per capita among the entirety (participating or not) of Polish households (Fig.3), one can notice high concentration in the 3rd quarter of both studied years. The average level of real expenditures in the 3rd quarter of 2005 was 65.50 PLN/cap while of 2010 – 104.30 PLN/cap. In the other quarters, the averages varied between 11.30 and 27.20 PLN/cap in 2005, and between 17.60 and 47.60 PLN/cap in 2010.

The average expenditures in the 3rd quarters of 2005 and 2010 were more than double the size of average expenditures in the corresponding
2nd quarters despite the fact that the participation in the two quarters was roughly very similar (Fig.1). A straightforward explanation for this phenomenon can be the found in the lower prices in the 2nd quarter, that is, before the high season, which in Poland falls in July and August. Of the cheaper trips and vacations in the 2nd quarter take advantage mostly less affluent families, senior citizens, and school children. The latter often benefit from additional subsidies for youth tourism. On the other hand the greater expenditures in the 3rd quarter can be directly derived from the higher prices in the high season. Moreover, it was noted that in the 3rd quarter more households reported expenditures on more than one type of organized tourism than in the other quarters: 1.3% versus 0.8% in the 2nd quarter.

Taking into consideration the three types of organized tourism (Fig.3), one can discern more pronounced 3rd quarter concentration of expenditures on domestic than on the outbound organized tourism. In the case of domestic organized tourism the average expenses in the 3rd quarter were three and a half as high as in the 2nd quarter (both in 2005 and 2010), while in the case of outbound organized tourism only twice as high. Also, the Gini index showed much higher concentration for the domestic (0.62 in 2005) than for the outbound (0.36) tourism, although that distance shortened in 2010 (Tab.3). The observed differences were striking because the concentration in participation was not that much higher for the domestic tourism, especially in 2010. One should bear in mind however that the two forms of tourism differ in one aspect: even though the average expenses for domestic and outbound tourism were similar (e.g.: 43 PLN/cap and 49 PLN/cap in the 3rd quarter of 2010, respectively), the participations were not: 8.8% and 3.8%, respectively. If we analyze these averages only among the households that participated in a given form of organized tourism, the levels turn out to be 414 PLN and 1220 PLN for domestic and outbound tourism, respectively. The latter form is therefore much more expensive, and addressed to a more affluent consumer. Affluence, in turn, is one of the factors that according to Rosselló (2004) flattens the seasonality: “[with growing income] seasonality tends to be smooth. That is consistent with the changes in the holiday preferences that involve people to separate their holidays into several sub-periods as more income is available”.

The average quarterly expenditures on organized youth tourism were lower than on the other forms of organized tourism. They were also less concentrated in the 3rd quarter, mainly because the 2nd quarter expenses played a more significant part than among the other forms of tourism (Fig.4). Youth tourism was also the only form that reported a drop in 2010 in average expenses in the 3rd quarter, which helped bring down the Gini index from 0.59 to 0.49. These changes may be due to the growing preference for family vacations during the high season at the expense of summer camps (Głowicka-Wołoszyn et al., 2013).

Calculated values of the Gini index (Tab.3) show the 2005-2010 reduction in quarterly concentration of the level of expenditures on organized tourism – both jointly and separately for each of its forms. The lowest seasonality was exhibited by the outbound form of organized tourism, much lower than the domestic one, which is a direct consequence of the difference between weather conditions in popular foreign destinations in North Africa and those in Poland.
Table 3: The Gini index – concentration of quarterly levels of household expenditures on three types of organized tourism

<table>
<thead>
<tr>
<th>Years</th>
<th>Organized tourism - together</th>
<th>Gini index</th>
<th>including:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>domestic</td>
<td>outbound</td>
</tr>
<tr>
<td>2005</td>
<td>0.51</td>
<td>0.62</td>
<td>0.36</td>
<td>0.59</td>
</tr>
<tr>
<td>2010</td>
<td>0.48</td>
<td>0.57</td>
<td>0.41</td>
<td>0.49</td>
</tr>
</tbody>
</table>

Source: own work based on micro data from the Household Budget Survey conducted by Central Statistical Office in 2005 and 2010

The comparison of the quarterly structure of household expenditures in 2005 and 2010 (Tab.4) showed a very close agreement between the analyzed years in all three forms of organized tourism.

Figure 4: Seasonal structure of the total expenditures on organized tourism in 2005 and 2010: together and broken down according to its three forms

Source: own work based on micro data from the Household Budget Survey conducted by Central Statistical Office in 2005 and 2010

Table 4: Index of similarity of structures for the seasonal structures of expenditures on organized tourism in 2005 and in 2010

<table>
<thead>
<tr>
<th>Organized tourism</th>
<th>including:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>domestic</td>
<td>outbound</td>
</tr>
<tr>
<td>0.96</td>
<td>0.95</td>
<td>0.95</td>
</tr>
</tbody>
</table>

Source: own work based on micro data from the Household Budget Survey conducted by Central Statistical Office in 2005 and 2010
Interactions of demographic, social, and economic factors with the seasonality of household demand for organized tourism

As mentioned in the introduction, there may be many factors that cause seasonality of the tourist demand, both natural and institutional. Moreover, on the demand side of the market, there exist other factors, economic, demographic, or social, that while not being directly responsible may intensify or weaken the extent of the seasonal concentration. The paper analyzes three of them which have already been demonstrated to interact heavily with the tourist demand itself: income, age, and education (Demelas, 2009).

It is commonly acknowledged that the household income is the key determinant of tourist demand (Dziedzic & Skalska, 2012) and that the tourism expenditures are highly susceptible to the income changes (Urbaniec, 2011). Rosselló (2004) also claims that the seasonality of tourism is closely related to the income because the preferences of better-off tourists change towards a number of short term trips throughout the year and from one single stay in the summer. This paper shows that among the Polish households the picture is somewhat more complex. Having classified the households into four quartile classes according to the income level per person, the tourism expenses were analyzed in each one of them (Fig.5). The participation in tourism among the least affluent first class concentrated in the 2nd quarter and was lower but equally distributed in other quarters. Moreover, in 2010 this class reported a drop in participation in the 2nd and 3rd quarter together with a rise in the 1st and 4th quarter, which nevertheless did not compensate for the losses. Such changes obviously resulted in a significant reduction of the seasonality index (Tab.5). The overall small degree of seasonality in this class was accompanied by a practically negligible level of expenses, which may mean that most the reported participation was subsidized. The concentration of participation in the 2nd quarter was also seen in the second class, but here the level of expenditures was highest in the 3rd quarter (of both years). This fact gives credibility to the conjecture that relatively smaller seasonality in poorer classes stemmed from the substitution effect of high prices in the high season rather than from any existing preferences, especially that the 2010 drop in the 3rd quarter of both participation and expense levels was concurrent with the onset of the crisis, which is known to first affect the fund of discretionary spending of the poor.
Income level showed a most pronounced correlation with the participation in the 3rd quarter, observed throughout the income distribution, and in the third income class the participation in this quarter matched that of the 2nd quarter. This class reported in both quarters a small drop in participation in 2010, which was offset by a rise in the 1st and 4th quarters. Consequently the seasonality index plunged from 0.35 to 0.27 in 2010. As in the second income class, here, too, the average level of expenses concentrated in the 3rd quarter.

Among the households of the most affluent fourth class the participation was considerably higher in every quarter than in the other classes and the average level of expenses surpassed all remaining three classes combined. Both participation and level of expenses concentrated in the 3rd quarter but the seasonality index of participation was not very high and the seasonality index of expenses was the lowest of all four income classes in both years: a consequence of relatively high participation and expense levels in other quarters (Tab.5). The tourist activity of this income class during the low seasons can be derived from the much higher participation in the outbound tourism, which for the Polish tourists usually means south-
ern countries, where the weather conditions are friendlier for much longer than just the two months of short Polish summer. Relatively better-off tourists can also afford additional winter trips or ski holidays, which may account for much of the high participation and expense levels in the 1st quarter. Finally, the obtained results, pointing to the reduced seasonality among the most affluent households, are consistent with the conclusions of Rosselló (2004), though his study involved both organized and individual tourists.

### Table 5: The Gini index – seasonal concentration of household participation and level of expenditures on organized tourism in quartile income classes

<table>
<thead>
<tr>
<th>Feature</th>
<th>Year</th>
<th>1st class</th>
<th>2nd class</th>
<th>3rd class</th>
<th>4th class</th>
</tr>
</thead>
<tbody>
<tr>
<td>Household participation in organized tourism [%]</td>
<td>2005</td>
<td>0.33</td>
<td>0.32</td>
<td>0.35</td>
<td>0.33</td>
</tr>
<tr>
<td></td>
<td>2010</td>
<td>0.26</td>
<td>0.32</td>
<td>0.27</td>
<td>0.30</td>
</tr>
<tr>
<td>Average quarterly expenditures on organized tourism [PLN/cap]</td>
<td>2005</td>
<td>0.53</td>
<td>0.65</td>
<td>0.64</td>
<td>0.44</td>
</tr>
<tr>
<td></td>
<td>2010</td>
<td>0.45</td>
<td>0.56</td>
<td>0.58</td>
<td>0.43</td>
</tr>
</tbody>
</table>

Source: own work based on micro data from the Household Budget Survey conducted by Central Statistical Office in 2005 and 2010

An important demographic factor that influences the tourism demand of a household is the age of its head (Kozera et al., 2013). The households of younger people still tend to participate more in organized tourism. However, they usually are formed by families with children and so one should expect that their vacation trips will fall during the school breaks. The households of older people are less constrained and they – as the society as a whole begins to age – have been increasing their participation in organized tourism (Dziedzic & Skalska, 2012). Still, from 45 years old on, the participation steadily falls (Głowicka-Wołoszyn et al., 2013).

The quarterly analysis of the participation and volume of organized tourism related expenditures showed that the age group of 25-44 spent most and most often of all the analyzed age groups. Each of them reported in 2010 an increase in participation and the expense level (the latter being considerable) and each, except the youngest, showed a reduction in seasonality, both participation and level.

In 2010 the Gini index in the three youngest groups varied between 0.50 and 0.53, while in the three oldest – between 0.36 and 0.44 (Tab.6). However, the values of Gini index for seasonality in participation are more difficult to explain. The was a surprising low
0.23 for the 35-44 age group and unexpectedly high 0.36 for the 55-64 age group. The first may be explained by the fact that the families of this age group typically have school children: they spend less off-season but their children do participate in youth tourism, characteristically less seasonal than other forms. The second, high value for sexagenarians is more difficult to account for, but one should remember that “people do not change their travel behavior just because they turn 60 or 65, or because they retire. In most cases they stick to the holiday patterns acquired till the middle of their life” (Lohmann & Danielsson 2004).

**Figure 6: Seasonal participation of households and average level of expenditures on organized tourism in 2005 and 2010 in groups according to the age of household’s head**

Source: own work based on micro data from the Household Budget Survey conducted by Central Statistical Office in 2005 and 2010
Table 6: The Gini index – seasonal concentration of participation and of household expenditures on organized tourism in groups according to the age of household’s head

<table>
<thead>
<tr>
<th>Feature</th>
<th>Year</th>
<th>Gini index</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>24-34</td>
</tr>
<tr>
<td>Household participation in organized tourism [%]</td>
<td>2005</td>
<td>0,12</td>
</tr>
<tr>
<td></td>
<td>2010</td>
<td>0,39</td>
</tr>
<tr>
<td>Average quarterly expenditures on organized tourism [PLN/cap]</td>
<td>2005</td>
<td>0,46</td>
</tr>
<tr>
<td></td>
<td>2010</td>
<td>0,53</td>
</tr>
</tbody>
</table>

Source: own work based on micro data from the Household Budget Survey conducted by Central Statistical Office in 2005 and 2010

Among the social factors that affect the tourism demand the most important seems to be the education level of the household’s head. It is an important predictor of both participation and the level of expenditures on organized tourism (Kozera et al., 2013). Some authors point to the positive correlation between the educational level and tourist activity (Niezgoda, 2012).

The obtained results showed that the greatest participation and expense level were among the households with high education (Fig.7). In 2010 this group reported an increase in both participation and expense level in all four quarters. At the same time the index of seasonality was in both years lower than in any other group and dropped significantly in 2010. The reason for the small degree of seasonality can be found in the tight connection between education and wages, and consequently the financial condition of a household. Moreover, better education is closely related to more personalized needs and to preference for other forms of organized tourism than “sun and beach”: from social and agrotourism to cultural, or even enotourism. Those forms are typically organized off-season.
Figure 7: Seasonal participation of households and average level of expenditures on organized tourism in 2005 and 2010 in groups according to the education of household’s head

Source: own work based on micro data from the Household Budget Survey conducted by Central Statistical Office in 2005 and 2010

Table 7: The Gini index – seasonal concentration of participation and of household expenditures on organized tourism in groups according to the education of household’s head

<table>
<thead>
<tr>
<th>Feature</th>
<th>Year</th>
<th>Gini index</th>
</tr>
</thead>
<tbody>
<tr>
<td>Household participation in organized tourism</td>
<td>2005</td>
<td>0.32 0.34 0.32 0.30</td>
</tr>
<tr>
<td></td>
<td>2010</td>
<td>0.34 0.31 0.30 0.26</td>
</tr>
<tr>
<td>Average quarterly expenditures on tourism</td>
<td>2005</td>
<td>0.58 0.58 0.56 0.42</td>
</tr>
<tr>
<td></td>
<td>2010</td>
<td>0.70 0.50 0.49 0.44</td>
</tr>
</tbody>
</table>

Source: own work based on micro data from the Household Budget Survey conducted by Central Statistical Office in 2005 and 2010

CONCLUSIONS

The conducted research of the fractions of Polish households reporting expenditures on organized tourism and of the level of these expenditures in 2005 and 2010 allowed to formulate the following conclusions:

1. More acute severity of quarterly seasonality was observed in the level of expenditures on organized tourism rather than in house-
hold participation, i.e., in the incidence of their incurrence. The participation in organized tourism concentrated in the third and second quarters, while the level of expenditures was decidedly highest in the third quarter. In 2010, in comparison with 2005, there was an increase in household participation in organized tourism, an even greater increase in the level of the expenditures, and a noticeable reduction in seasonality.

The preference of the Poles for travel, the accession to the EU, and increase in the analyzed period of the main economic indices (GDP, household income) resulted in the fact that the economic crisis, that bankrupted some of the Polish travel agencies, was not observed to affect the interest in organized tourism among the Polish households as a whole between 2005 and 2010.

2. Participation in various forms of organized tourism showed relatively small seasonality in youth tourism, more pronounced in outbound, and substantial in domestic tourism. The latter also exhibited the highest degree of seasonality for the level of household expenditures.

Observed differences in the behavior of quarterly seasonality of domestic and outbound tourism were directly related to the weather conditions in Poland and in popular foreign destinations, and to the preference of Polish households for outbound travel.

3. The expenditures on organized tourism were considered according to the financial situation of Polish households in 2005 and 2010. The most affluent one-fourth of the households was characterized by a considerable increase in participation and level of expenditures and by reduction of seasonality in 2010. This class also exhibited the lowest seasonality in the average expense levels in both analyzed years. Relatively low seasonality in participation among the poorest one-fourth was a consequence of small interest in organized tourism, which was further diminished by the economic crisis, whose consequences affected in a certain measure all but the richest income class. The findings are consistent with those of Rosselló et al. (2004), who found falling seasonality indices as the income increased. The rapid expansion of organized tourism observed in Poland between 2005 and 2010 was spread more evenly than what had feared Baron (1975) when commenting that tourism expansion often means an expansion of the main season.

4. The study found an interaction between expenditures on organized tourism and the age and education of the household’s head, which is consistent with the findings of Lohmann & Danielsson (2004) and Dziedzic & Skalska (2012). Seasonality was lowest in the households headed by seniors of 65 years and older.
and by persons with higher education, which is directly related to their preferences.

REFERENCES


CAREER OF RUSSIAN PERSONNEL IN INTERNATIONAL COMPANIES OF HOSPITALITY INDUSTRY

Irina Vinogradova
National Research University

ABSTRACT: Background and problem addressed: Background consists of work and researches of Russian and international authors, dedicated to revealing of career development factors. But there is no synergy between models of career which were suggested by foreign authors and the specific of Russian personnel work in international hospitality companies – it causes topicality in our research. The Objective of the research is to reveal factors which influencing on Russian personnel career development in international companies of hospitality industry (for example, at the «Holiday Inn Suschevsky Hotel», Moscow). Methodology: were used qualitative methods: documents analysis and deep semi-structured interview with experts – managers and supervisors at «Holiday Inn Suschevsky Hotel». Results: As a result of our research we revealed groups of factors which influenced on career development of managers and supervisors at «Holiday Inn Suschevsky Hotel»: individual qualities and competencies, organizational factors of career development. Amongst the most important factors we highlighted: experience in hospitality industry, passing different trainings, communication and climate in the collective. These results are pilot. We plan to continue our research with a bigger sample. Keywords: career, career development, factors of career development, models of career.

PROBLEM AND TOPICALITY

260 million people work in hospitality industry worldwide. This is 8,9% of all the workplaces in the world (WTTC, 2012). This is an attractive and rapidly growing sector of economy, which can provide a lot of workplaces (Baum, Nickson, 1998). There is a specific particularity in this economy sector that follows internal tendencies (in hospitality industry) and external circumstances of the labor market in spite of high level potential of this sector of economy. Career of an employee is characterized as temporary. In this way Deery (2002) points out that hospitality sector has a high rate of staff turnover. That is why it is necessary to learn the factors of career development. It is necessary to understand how personnel develops,
which qualities and competencies are important for that. If we understand this mechanism of staff developing in a company, we would be able to use it as an instrument of motivation and personnel’s loyalty, effective staff managing. If we learn the model of career development we can set up the necessary and principal emphasis in personnel’s managing. The question about career and career development is widely studied by scientists worldwide. In international studies there were built several approaches about career development:

- normative-qualitative model of career development (includes innate personal characteristics and external – social-economics factors). The followers are: Dearing (1997), McCall & Hollenbeck (2002), Drucker (2004), Eby et. al. (2003), Samson (2005);
- one-dimensional model of career development focuses on the only one factor that influences career development. The authors that share this approach are: Donnell & Hall (1980), Simpson & Altman (2000), Burke & Collins (2001);
- multiple model is a function of several factors that influence career development. The followers of this approach are: Ruddy (1995), Melamed (1996), Patton & McMahon (1999), Seibert et. al. (2001), Garavan et. al. (2006).

In Russian science and practice the career question was studied rather widely. Effendiev et al. (2011) studied manager’s model of career development in Russian business organizations. Career as an effective management instrument was studied by Starobinsky (1995), Egorshin (2007), Grachev (1993). Within the frame of hospitality industry there was a study about building personnel development by Selukov & Rogova (2012). But the question about career development of personnel in hospitality industry within the Russian frame is studied rather poor. That is why the subject of my scientific interest is to reveal the factors of career development in the hospitality industry in Russia. I chose the hotel “Holiday Inn Moscow Suschevsky” as an object of my research. Additionally, there is no synergy between models of career which were suggested by foreign authors and the specific features of Russian personnel work in hospitality companies. These several points form the topicality matter in my research.

In that way the theme about career of Russian personnel in hospitality companies can be useful in several directions: building quality system of personnel’s development, forming staff’s loyalty to the company, constructing typical schemas and individual models of career.
ScIenTIfIc fIeLd of The reSeArch, AIM And TASKS

Scientific field of the research: factors influencing career development of personnel in hospitality industry.

Object of the research: managers and supervisors of the international hotel “Holiday Inn Suschevsky” in Moscow (Russia).

The aim of the research: to reveal factors that influence the career development of managers and supervisors in the hotel “Holiday Inn Suschevsky”.

To achieve the aim of the research we formed the following tasks:
• to analyze the theoretical background of career managing and career development;
• to reveal groups of factors which influence career development;
• to design tools (guide interview) for doing research in the hotel “Holiday Inn Suschevsky”;
• to analyze documents that regulate the development system and personnel career management in “Holiday Inn Suschevsky”;
• to interview managers and supervisors in the hotel “Holiday Inn Suschevsky” (optionally);
• to reveal the factors of personnel career development in the hotel “Holiday Inn Suschevsky”;
• to make recommendations about points which are necessary for career developing in hospitality industry in Russia (to make a list of factors, time frames).

Theoretical factors of career development

After analyzing scientific background we systematized the factors of career development into several groups:
• social-demographic factors (such as age, gender, marital status) (Judge et. al., 1995);
• subjective (individual and personal), which we divided into innate (interests, talent, values, addiction to innovation and risk and etc.) and obtained skills and competencies (experience, professional skills) (Patton & McMahon, 1999);
• motivational factors (interest to industry) (Ayres, 2006);
• factors of the environment: micro-level (the size of a hotel, level of stars (estimation of a hotel), development programs of a hotel (Garavan et al., 2006), macro-level (geographical location, political situation, historical background, labor market, societal (cultural environment, economic environment, ethnic environment, social changes) (Ruddy, 1995).

It is necessary to point out that such type of the factor classification isn’t strict, because the same factors we can relate to different groups.
(Whitelaw, 2010). Such tendency is observed in different models of career and their critical reviews. The factors of career development: social-demographic, subjective (personal), factors on environmental level have complex function. This complex function influences career development. We should point out that the notion of career and career development has a double nature: objective (from the point of view of factors of career development) and subjective (from the point of view of employee’s personal attitude to career development and professional activity).

The revealed factors of career development from different career models would be the basis for the synergy with the information from the personnel interviews at “Holiday Inn Suschevsky”, analysis of documents and regulations of the hotel staff.

METHODOLOGY

To research the factors of career development is important for the hotel in different ways: employee’s motivation (for example, for improving service quality), staff turnover reduction, increasing personnel loyalty. If an employee has a well-defined picture of career development in the hotel, knows the qualities and competences, it will be easier for the staff to understand their prospects in the hotel.

The respondents of the research are the managers of the departments (including the Human Resources department) and supervisors. This category of personnel is the most interesting in the terms of career development (factors of career development). There are some reasons for that: they have enough experience in the service sector and hospitality business. Being experts in this field they can define important qualities and competencies that are necessary for developing in hospitality industry.

By adopting theoretical models of career, which include a set of characteristics for career developing, and adding the model by the specific factors from the hospitality business, we could get qualities and competencies that a manager should have for career development in hospitality industry.

In our research we used qualitative methods: document analysis and the deep semi-structured interview.

The research consists of two stages.

The logic of the first stage was to analyze the hotel documents (“Holiday Inn Suschevsky”) that include information about personnel estimation, benefits, the information that is necessary to learn how to raise competencies in different fields of work, the philosophy the hotel is following.

There were analyzed regulations and documents: staff provision, the system of staff estimation, the system that relates to personnel results of work, training programs, benefit programs, apprenticeship
programs for the new staff. This information was used for conducting the second stage of our research – the deep semi-structured interview.

Ten managers of the departments and supervisors participated in the interview. It’s 30% of all the managing staff of the hotel “Holiday Inn Suschevsky”. Their work experience in hospitality industry was minimum three years, at least one year in the hotel “Holiday Inn Suschevsky”.

For the interview the special guide (list of questions) was made, which includes questions about: what helped the respondents’ career development in the hotel “Holiday Inn Suschevsky”: personal qualities (initiative, hard work, activity), education (specialized or not specialized), experience (in the hotels of the Interstate chain, other hotels), the help of other people in the respondents’ development, corporate programs that provide better education and qualification.

The methods of quality information processing: classification, analysis of the most typical and exceptional cases.

RESULTS

As a result of our research we got several factors of career development (the background is theoretical and empirical): individual qualities and competencies, organizational factors of career development.

We can divide the individual factors of personnel career development in the hotel “Holiday Inn Suschevsky” into two groups: innate and acquired. These qualities are described more deeply in Table 1.

Table 1. Employee’s individual qualities and competencies of career development in the hotel “Holiday Inn Suschevsky”

<table>
<thead>
<tr>
<th>Innate</th>
<th>Acquired</th>
</tr>
</thead>
<tbody>
<tr>
<td>To be friendly</td>
<td>Knowledge and education (the education specialization does not influence career development)</td>
</tr>
<tr>
<td>Responsibility</td>
<td>Experience</td>
</tr>
<tr>
<td>Mutual</td>
<td>Ability to work in a team, communication not only about professional topics</td>
</tr>
<tr>
<td>Mutual aid and assistance to colleagues</td>
<td>A clear understanding of one’s responsibilities</td>
</tr>
<tr>
<td>Goodwill</td>
<td>Responsibility</td>
</tr>
<tr>
<td>Love for people</td>
<td>Resistance to stress</td>
</tr>
<tr>
<td>Courtesy</td>
<td>Ability to solve problems, the skill and ability to work with “problem guests”</td>
</tr>
<tr>
<td>Resistance to stress</td>
<td>Personification</td>
</tr>
<tr>
<td>Willing to learn</td>
<td>Customer focus, empathy</td>
</tr>
<tr>
<td>Communication skills</td>
<td>Qualitative performance of one’s work</td>
</tr>
<tr>
<td>A good memory for faces and information</td>
<td>Competent speech</td>
</tr>
<tr>
<td>Attentiveness</td>
<td>Courage to make decisions in the frames of competence</td>
</tr>
<tr>
<td>Communication activity</td>
<td></td>
</tr>
<tr>
<td>Willingness to work</td>
<td></td>
</tr>
<tr>
<td>Self-confidence</td>
<td></td>
</tr>
<tr>
<td>Initiative</td>
<td></td>
</tr>
</tbody>
</table>
Some qualities such as responsibility, resistance to stress and the ability of quickly responding to different circumstances can be related to both groups as such qualities could be innate for a person or learned through professional activity. Trainings can be considered organizational factors of personnel’s career development in “Holiday Inn Suschevsky” – trainings. There are different types of trainings from the organizational point of view:

- Inside the department. Most of all such trainings are done by the supervisor of the department. The main aim is to teach the personnel the specific points of the work in the department, to get professional skills.
- Trainings inside the hotel. Such trainings are done by the human resources department or the general manager of the hotel. The main aim of such type of trainings is to teach the personnel the standards in the hotel chain.
- Cross – trainings between different hotels of the same chain. The main aim of such trainings is the personnel exchange of experience, showing the high level of work.

From the staff point of view there are:

- Trainings for the line personnel;
- Trainings for the managers: top-management and operational management.

Trainings for the top-management are done by a managing company IHG (Intercontinental Hotel Group), the goal is to teach the top managers the new philosophy of the brand, how to follow this philosophy and to implement new rules, for example. After that top-management teaches operational management about new rules and principles in the hotel. Then operational management implements new knowledge on the department level.

There are a lot of benefits from trainings:

1. Personal development of an employee.
2. Professional development of an employee.
3. The growth of the service quality in the hotel – organizational benefit.
A manager of the Human Resources department pointed out the important qualities that should the personnel have:

- responsibility;
- knowledge of legislation;
- communication skills, ability to manage staff in the right way;
- ability to work with a large amount of documentation;
- knowing operational processes in the hotel (from carrying a tray to spreading part of work between the staff);
- experience in the hospitality sector and the service sector of economy.

The management in the hotel “Holiday Inn Suschevsky” pays a lot of attention to the personnel career development. We revealed from documents in the Human Resources department that there are:

- the system that publicizes the results of the hotel work in general and of the best employee;
- the personnel estimation system;
- the benefit programs that motivate staff for professional growth and increasing the service quality.

We could concretize the factors of career development from the theoretical background by the specific points of the hotel “Holiday Inn Suschevsky”.

Having interviewed the managers and supervisors, we could point out factors of career development that play an important role within the frames of staff career development in the hotel. There are:

- experience in hospitality industry;
- passing different trainings;
- communication and climate in the team.

The team plays the most important role in the employees’ career development. All the respondents pointed out the role of the team in their career development:

1. Openness of the managers to the staff: exchange of experience, the personnel aren’t afraid to come to the manager and ask questions. In this way there are fewer mistakes in the employees’ work, he/she accumulates positive work experience. It plays a good role in the staff development.

2. Communication is necessary not only inside the department, but generally in the whole organization. The manager of the engineering department in “Holiday Inn Suschevsky” pointed out that collective interaction of the whole hotel is very important. When the personnel of the hotel (in general) didn’t communicate – they didn’t understand the importance of work of every department, for that reason there was miscommunication between the staff, and as a result lower quality service was provided to the guest. When collective interaction was established in the whole hotel,
the employees from different departments communicated on a personal level: mutual respect appeared between different departments and their work, there was no miscommunication in carrying out official duties. We should take into account that a hotel is a “whole mechanism”, where failure of one of its parts would be the reason for failure in the functioning of the whole organization.

3. The team plays a huge role from the point of view of loyalty. If an employee is loyal to the organization, he/she has an opportunity to develop career. For example, the reception supervisor in “Holiday Inn Suschevsky” pointed out that she wouldn’t go to work in another hotel (even if the salary was higher), because for her the team that was formed in her department and in the whole hotel is very important.

To sum up, we can point out three main directions of the team role in career development of managers and supervisors in the hotels (on the example of the hotel “Holiday Inn Suschevsky”):

• Education and accumulating positive experience, increasing service quality. Colleagues’ openness in conducting experience and education.

• Intra-organizational communications (both inside the departments and in the whole organization). Increasing mutual understanding in the performance of duties and respect rising. In that way the quality of service is increasing too.

• Comfortable climate in the team, the so-called “collective-family”. The employees’ loyalty to organization is the result of this. Linking an employee with the organization on the emotional level.

Development – in the organization.

In our research we pointed out climate in the team and trainings as the most important factor that influences career development. Such deduction we got from interviewing the managers and supervisors of the hotel “Holiday Inn Suschevsky”. These factors had the biggest reference among the respondents.

Limitations

The limitation of the research: it was carried out only in one hotel – “Holiday Inn Moscow Suschevsky”. The sample is representational within the framework of the hotel “Holiday Inn Suschevsky”. The results of our research are pilot. That is why we cannot consider factors of career development for the whole personnel. The reason is that only one hotel was studied in our research and only one category of personnel. Moreover, factors of career development can differ. It depends on the hotel’s estimation (the level of stars, for example), the size of the hotel. We should take this factors into account in case of a larger study.
Opportunities

The present research is useful for the hotel “Holiday Inn Moscow Suschevsky” in several directions:

1. From the personnel point of view: new staff will be more loyal if they know how they can develop in the hotel and what qualities and competences are required for that. The personnel who know about career prospects in the hotel will try to build career there, the staff turnover will be reduced, at the same time the motivation level for making the service better will increase.

2. From the Human Resources department point of view: knowing about the most important factors of career development will help to build the training system in right way. For example, if the climate in the team is necessary for career development and loyalty of the personnel, they should pay bigger attention to communication improvement between the personnel both inside one department and inside the whole hotel.

3. From the organizational point of view: the quality of service will increase, that is why a guest will be pleased with the hotel service (guests’ loyalty will increase), profit will grow. The main interest of stakeholders will be satisfied.

The present study is pilot. Our research is the basis for carrying out a bigger survey (with a sample of 30 – 50 people), in which managers and supervisors of the whole hotel chain operated by IHG would take part. The revealed factors of career development would help to build the future research design. The identified factors of career development will be indicators for making questions in the questionnaire. After analyzing this questionnaire we would be able to check the reliability of the revealed factors of career development by the quantitative method – the application of econometric apparatus.

The expected results from the future research would be the models of career development for Russian personnel in companies of hospitality industry. The model would include factors of career development revealed by the qualitative method and proved by the quantitative method (on a bigger sample).

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WTTC (2012). The industry has grown its total contribution to GDP by 3% and increased the number of jobs by five million to 260 million. – http://www.wttc.org/
TOURISM AND COMMUNITY CULTURE IN SERGIPE/BRAZIL: A PRACTICAL EXPERIENCE DEVELOPED BY FEDERAL INSTITUTE OF SERGIPE

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ABSTRACT: This paper intends to be a reflection on the relation enters theory x practical professional training in tourism through the practical experience of a project developed by the Federal Institute of Sergipe (IFS) that consists of technical travels as facilitators techniques as tools in the learning process of the course of Tourism, since it causes a real experience at the students life. Every year, since 2008, tour guide students from IFS experience the Cultural Tourism by visiting the most important city of cultural tourism and cultural heritage in the state of Sergipe (SE): São Cristóvão. The study was contextualized from research papers, books and articles published in specialized tourism and education, economic development, and social and regional plans, pedagogical, reports and accounts of experiences of teachers / students of the Tour Guide Course at IFS. Furthermore, the research discusses the role of disciplines based on the relationship between tourism practices - education and supported the tripod: teaching, research and extension. The study revealed that the technical visits constitute practices to develop processes of action, observation, reflection and commitment among students, community and the cultural heritage. Keywords: Tourism. Cultural Tourism. Tour Guide. São Cristóvão/SE/Brazil.

INTRODUCTION

A skilful guide is one of the most valuable assets a tourism company can have. In many ways, a guide is the ‘face’ of a business or company (Pond, 2003). Many foreign visitors tend to view their tour guides as representatives of the region or country (Pond, 2003). Due to the importance of guides and the growth in heritage tourism there is increasing interest in roles of tour guides (Holloway, 2011; Hughes, 2011; Weiler & Davis, 2010).

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Although the Oxford dictionary (Willis, 2009) defines a guide simply as...a person who shows others the way (p. 446), research has found the role of a tour guide is much broader (Cohen, 2005; Holloway, 2011). In a review about the origin, structure and dynamics of tour guiding, Cohen (2005) created a model based on its historic beginnings with the pathfinders and mentors of ancient times. He re-named these two roles to make them more relevant to modern tour guiding and called the pathfinder role ‘leadership’, and the mentor role ‘mediatory’. As a leader, the tour guide has to organise (i.e. provide direction, access, and control) and build the team (i.e. ensure group cohesion and morale). As a mentor, the guide acts as an interactionary (or ‘middleman’) and is an educator for the group.

In this perspective, this article aims to discuss the relationship between theory and practice regarding the formation of the professional of Tourism through the practical experience of the Micro internship project, an educational innovation of the Teaching Plan of the Technical Course on Tourist Guide from the Federal Institute of Sergipe (IFS), which visits São Cristóvão city every semester.

The methodology applied here has as a background the technical-scientific experience of the students and teachers during the visit to São Cristóvão. The methodological resources used were: review of the specialized literature on the topics being covered, the Institutional Development Plan (PDI), the Pedagogical Project of the Course (PPC); and reports about the experiences of students and teachers of the Technical Course on Tourist Guide of the IFS.

Cultural Heritage Tourism in São Cristóvão/ Sergipe/ Brazil

To understand and recognize the heritage and its diversity is of great importance for the socioeconomic development and for the improvement of the quality of life of people who live in the historical areas of cities. Furthermore, to identify the heritage through touristic activities requires a comprehension that it must be practiced in a harmonic manner between its agents – community, tourists and tourism professionals –, because, before being established as a touristic attraction, the heritage is processed within the identity framework of a place and, in this context, culture must be highlighted as an important element in the appreciation of heritage and identity.

Considering this premise, the historical centre of São Cristóvão is the most significant representative of Sergipe’s social, religious and cultural aspects and has, in its religious and civil architecture, the expression of the time when the ‘Sergipano’ people began its history. The location was the centre of the colonization and organization of the Sergipe “capitania” (region) for 265 years and has historical, cultural, material
and immaterial heritage of great relevance. The historical centre of the city still preserves great part of the architectural heritage built between the XVII and XIX centuries in the colonial-baroque and neoclassical styles. It also has a wide variety of cultural demonstrations, with a festive and religious calendar, and a diversified and unique gastronomy.

Founded in 1590, São Cristóvão was the headquarter of the Sergipe D’el Rei region and an important economic intersection between the Bahia and the Pernambuco regions, as the centre of livestock and sugar production, until 1855, when it loses its position to the capital of Aracaju for economic reasons. In 2010, the 18th seal was granted to Brazil by the United Nations Educational, Scientific and Cultural Organization – UNESCO, making the São Cristóvão Square (Image 1) a World Heritage for preserving a faithful representative of the Iberian constructions from the Brazilian colonial period.

![Image 1: São Francisco Square](image.png)

*Source: Culture Journal, 2011*

**The Teaching Learning Process in the Technical Visit**

The teaching-learning is a process that should take into consideration the past experiences of the student and take those experiences in a positive way, in a way that he may be capable of reflecting upon a new reality against the exposed problem. According to P. Silva (2006, p. 170) “The student only predisposes to learn in the moment he notices and identifies in the process of learning the possibility of having his personal and/or professional interests accomplished in a short to medium term.”

Therefore, the learning must favor the difference between theoretical and practical knowledge, enabling the transformation and comprehension of the reality that surrounds the student.
In the technical visits it is possible to observe the presence of four teaching techniques: listening, talking, living/questioning and transforming it, with the intent of reaching the needs in the formation of the professional tourist guide, where the teacher can comprehend the reality of the product, the destiny and the tourism equipment. Besides that, according to UNESCO (2011), learning to know-reconcile a culture in general, with the purpose of learning, doing and developing the ability to confront unusual situations that might require group work; learning to coexist-realize the increasing interdependence of the human beings; Learning to live-develop the independence and capacity to judge, as well as build up the responsibility for the self-development personally, professionally and socially.

This way the technical visit links with a perspective of a practical knowledge, besides just the classroom that points towards the goal of professional competence in tourism. “The field study provides an interest for the learning and gives opportunity to identify the practice of a determined content that has been or will be ministered” (P. Silva, 2006, p. 177).

It is still considered that the environment where the technical visit will take place awakens an interest for the comprehension of the theoretical elements from the curricular component and other elements from the experienced culture, environment and student values.

The students are responsible for exposing the goals to be reached by the visit, checking them beforehand in a way to motivate the students, with professional testimonials that have been successful in the field, motivating them to mingle between theory and practice. The place in where the technical visit will take place should be well oriented with the intent of attending the goals with spare time for the doing of all the activities.

*The Professional Practice developed by the Micro Internship Project of the Sergipe Federal Institute – IFS*

At the IFS, the professional practice developed aims the construction of knowledge defined by the Teaching Plans of the Course – PPC, through activities guided by a teacher of each area, according to the student’s topic of study. Some of the activities considered as professional practices are: case studies, experience at the productive system, researches, technical-scientific and community services. These activities are part of the courses, with their respective work hours, weekly schedules, methodologies and evaluation methods.

The pedagogical practices adopted by the teachers of this institution are based on the assumption that their effectiveness depends on the students’ level of learning. The employment of methodologies and
practices centred on learning itself is usual in the teaching practice. To do so, they elect activities such as the elaboration and development of projects, identification and solving real problems, preferably with an interdisciplinary approach. The selection of activities is based on the assumption that the more challenging they are, the more they will contribute for the development of investigative and autonomous attitudes of students when facing challenges of the learning process.

One of these activities is the Micro Internship. An innovative project developed by the coordination and the teachers of the tourism course which aims to socialize, contextualize and interconnect knowledge and teaching processes with the world of work and to encourage consideration of the classroom theory with the practice and the reality beyond the school walls.

The insertion of the Micro Internship in the Technical Course on Tourist Guide is a didactic-pedagogical strategy of promotion and integration between theoretical and practical knowledge to foster the construction of additional experiences and knowledge to the curriculum, a necessary part of the professional training of any student. Thus, this practice has become a curricular activity which enhances the experiences of the student outside the classroom in an environment of real work in the Tourism area, integrating the academic content in the social-environmental, political and cultural dimensions.

The Micro Internship is, thus, an activity which aims to foster the construction of significant knowledge through methodological procedures which prioritize the principles of curricular interdisciplinarity, contextualization and flexibility of the teaching practice.

In addition, the Federal Institute of Sergipe seeks to promote professional and technological education, offering courses at various levels and types of education in line with the social and labour demands, contributing to the development of the local and regional productive organizations.

In the project of creation of the Federal Institutes of Education the responsibilities and the social commitment of these institutions are notorious. They are called to contribute with the programs and processes of development and social inclusion in a country historically marked by enormous contradictions in its distribution of the socially produced goods.

This institution has been improving, transforming and (re)inventing its practices in order to satisfactorily respond to these responsibilities and to the commitments derived from the model here presented.

The Federal Institute positions itself in a strategic way, as a public institution, in this nation project which seeks the construction of a fair and equal society, because education and work can ensure social inclusion. It is committed to provide professional and technological edu-
cation which prepares the student not only for a job but also to manage skills and knowledge that will allow his insertion in the formal and informal productive processes in a proactive manner, without losing sight of the dialogue with other public policies which foster further research, dissemination of knowledge and social inclusion.

Therefore, in view of the technical visit in the teaching-learning process, the specificity of the micro internship is necessary as a methodological instrument within the field of studies of tourism, and more specifically the technical course on tour guide, which seeks to enable a systemic perspective of reality, through a critical, reflexive and integrator view of the facts and phenomena of social life, allowing for an experience of the professional reality. This course aims to train professionals capable of guiding, assisting and leading people or groups during transfers, tours, visits and trips with ethics and respect for the environment, culture and law, while giving information about the socio-cultural, historical, environmental, geographic aspects and others that may interest the visitor.

RESULTS

The results of the research have been drawn from five (5) questions asked to 60 students in a roundtable discussion conducted by one of the teachers who participated in the planning of the activities in São Cristóvão/ Sergipe/ Brazil on July and October 2013. These meetings were done twice a year, two days after each visit.

Some students data are following below:

The age of the students varies from 19 to 45 years old. 80% are female, ie 48 students. Only 10% of all students are formally employed, ie 6 students. 15 students, ie 25% have children, but 4 of them are married. 20% have informal jobs and 70% are looking for their first one.

Most of them (80%) live in the capital, Aracaju. The others live between 30 and 60 km from the capital.

Table 1 – Guiding questions for data collection (teacher/student)

<table>
<thead>
<tr>
<th>Question</th>
<th>Answer</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. In your opinion, the Micro Internship activities may be considered a training method? Why?</td>
<td></td>
</tr>
<tr>
<td>2. Has the Micro Internship project contributed to your overall professional experience? Why?</td>
<td></td>
</tr>
<tr>
<td>3. Have the objectives of the Micro Internship been met? Justify your answer.</td>
<td></td>
</tr>
<tr>
<td>4. Has your opinion of cultural tourism and preservation of cultural heritage changed after the activities conducted in São Cristóvão city?</td>
<td></td>
</tr>
<tr>
<td>5. Would you like to visit another cultural touristic destination in Brazil? Which one?</td>
<td></td>
</tr>
</tbody>
</table>

Source: Pahim (2013).
Even though open-ended questions allow for a wide range of information, they also encourage a contextualization important for the process of construction of the evaluation and feedback tools of the Pedagogical Project of the Course (PPC).

The students’ comments were strongly guided by the importance of maintaining and expanding the micro program activities, which was considered by all an effective method of teaching capable of causing profound changes in their perception of community-based tourism (Issues 1 and 4).

This aspect is supported by M. Huiyuan and W. Zeping (2010) which criticizes the old concepts of education in tourism, such as the “college” style – a traditional teaching method which works behind closed doors -, for oppressing the initiative and the creativity of students.

Regarding the practical experiences lived in São Cristóvão, given that they will contribute for the development of investigative and autonomous attitudes in students when facing the challenges of the tourism labour market in Sergipe and other states of the Brazilian North-East, (Question 2), it became clear that the deepening of the theoretical themes related to the tourism labour market in which the student will be inserted is necessary, emphasizing the professional profile expected at the end of the Course. Question 2 resumes the paradoxical debates which involve the dialogue between professionals of this area and local businessmen.

Image 2: Students and professor together with a dancing folkloric ladies group

Source: Pahim, 2013

Question 3, which deals with the objectives of the Micro Internship, was based on the understanding that maintaining a good level of technical education in tourism courses in the educational institutions
and training should be used to stimulate the creativity of professionals and their capacity to adapt to new technologies, to the use of new processes and organizational structures (M. Ansarah, 2012). In this item, all students and teachers agreed that all objectives of the project had been achieved.

All students declared that they would like to visit other Brazilian cultural touristic destinations, such as Salvador of Bahia state, Olinda of Pernambuco state and the historical towns of the Minas Gerais state (Question 5).

Thus, it was noticed that this kind of activity allows the student to interact with the labour market, benefiting his or her professional training and moving the tourism production chain.

CONCLUDING REMARKS

Tourism is a relatively new field of study that emerged from vocational education. The nature of tourism education seems to contribute toward tourism pedagogies, driven by business and economic considerations. At the same time, this makes tourism education susceptible to social manipulation by these same forces. However, most discussions by educators and developers of tourism curricula tend to centre on a balance between a vocational and an academic focus. The discussion is often merely about efficient and effective transferability of school curricula to daily operations, overlooking the value of learning and the intangible impacts of tourism. It is clear that a focus on employability is at odds, or in conflict with, the goal of producing graduates capable of critical thinking. (J. Tribe, 2002, p. 354) suggests that the philosophic practitioner seeks to develop:

“…practical wisdom and action in the wider world at the same time as earning a living in, and contributing to the economic development of, a specific business domain of tourism. This is working in tourism while taking responsibility for stewardship of its developing world.”

The education heads off with the meaning of transferring values that would allow the work to have meaning and bring light to the possibilities of the individual. The professional development has a connotation of evolution and continuity. The formation highlights the technical aspects of dexterity and knowledge, focusing on attitudes (OMT, 2010).

The work brings attention to the fact that the environment, as a whole, is a great alley in the process of schooling, since it is in that scenario where everything happens, therefore, the place where the individual establishes his relations, interactions and transformations. It is, however, where the student becomes in close contact with the re-
ality, being able to experience some situations that become significant experiences.

In that sense, the technical visits are made of practices that are capable of developing the process of action, observation, reflection, commitment and integration, with the purpose of achieving the theory-practice in the education of the professional Tourist Guide.

It is important to highlight that the technical visits have had their instructive-pedagogical character formed by the academic-professional commitment powering the instruction-learning, and not just a trip to a place outside of the classroom. There is also a commitment with the receiving communities, the tourism market, with the objectives of the Institution of Schooling highlighting its plural, social and political purpose in the context itself.

Some studies have shown the importance of rethinking the education of tourism through new pedagogical practices, as linking research and teaching by exploring disciplinary spaces and the role of inquiry-based learning (Healey, 2005) or student work experiences (Leslie and Richardson, 2000) and practicums (Ernawati, 2003).

Much of the international debate about the relationship between research and teaching is characterised by difference. Individuals vary widely in their views about the nature of the linkage. Some believe that university research often detracts from the quality of teaching (Pocklington and Tupper 2002), while others argue that “courses taught by those at the cutting edge of research will necessarily be of higher quality than those taught by those merely using the research results of others – whatever the apparent quality of their style of delivery” (Lee 2004, p. 9). These strong views in part reflect the importance of linking research and teaching in the identity of many academics (Henkel 2000). The research evidence also varies, at least in its interpretation. For example, Hattie and Marsh (1996) found no significant relationship between research productivity and teaching effectiveness; on the other hand, “there is clear evidence from a range of studies in different types of institutions of students valuing learning in a research-based environment” (Jenkins 2004, p. 29). Given these differences, it is hardly surprising that a number of myths have developed about the nature of the research-teaching nexus.

This analysis offers a panorama for the elaboration of new strategies for the course, preparing the student in many ways to be a professional that is capable of working in any location. However, the knowledge and the act of pedagogy of the students with methodology and practices that are centered in the schooling must elect activities such as elaboration and project development, identification and solution to problems transposed in the local and regional reality, preferably with an interdisciplinary approach. The selection of the practical activi-
ties of the higher education in tourism must commit with the undergraduate student the capacity of innovating and being productive (A. Dencker, 2002).

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THE COMPLIANCE OF TOURISM EDUCATION WITH INDUSTRY NEEDS IN LATVIA

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ABSTRACT: Tourism is one of the largest and fastest growing global industries. Accordingly, there is an increasing need for qualified, highly educated professionals in this area possessing professional knowledge and employability skills. The present explanatory research was conducted in 2013 and it comprises a mixed-mode survey of stakeholders (91 industry employers and 95 graduates) applying questionnaires as a tool. The purpose of the research is to identify the most significant gaps by means of exploring compliance of tourism education with the industry needs and elaborate suggestions on diminishing them. The paper analyzes employability skills, the conducted survey and compares their results with the findings obtained in similar studies in other countries. The research revealed a discrepancy in the graduates’ actual skills and competencies and their level to those expected by the industry employers. The study highlighted the significant role of internship in developing employability skills. A model of internship management phases has been elaborated to enhance students’ employability skills. Keywords: tourism education, tourism curriculum, skills, competencies, employability

INTRODUCTION

Today tourism is considered as one of the largest and fastest growing industries in the global economy. According to International Labour Organization’s estimations, the travel and tourism industry provides for more than 235 million jobs, which constitutes 8 per cent of global employment (International Labour Organization, 2011). World Travel and Tourism Council estimates that by the year 2023 9.9 per cent of global employment will be directly or indirectly related to tourism and hospitality industry (Travel and Tourism Economic Impact. World [WTTC], 2013). In terms of real numbers, it constitutes almost 338 million jobs and it means that the industry contributes to around one in every eleven jobs worldwide (WTTC, 2013). An average growth of tourism and travel

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jobs is estimated at 2.4 per cent; however, it is affected by considerable regional differences. The research on the travel and tourism competitiveness made public in 2013 at the World Economic Forum (Turner & Sears, 2013) shows that in the period 2012-2022 the expected growth of tourism and travel jobs in Europe is estimated at 2,437 thousand. Accordingly, there is a substantial need for an increasing number of highly qualified, well-educated industry professionals, and the role of education in the field of tourism and hospitality is increasing.

Tourism education started at the end of the 19th century (Salgado, & Costa, 2011). Initially it was training courses for staff in specific sectors, such as hotel management (Ring, Dickinger, & Wöber, 2009; Salgado, & Costa, 2011). “These courses subsequently led to the establishment of technical and vocational schools, which in turn, have evolved into undergraduate and graduate programs” (Ring, et al., 2009: 107). According to various Internet sources, e.g., Study portals for taking you further/Masters (n.d.), Study portals for taking you further/Bachelors (n.d.), Study in the USA (2014), Academia (2013), there are around 200 master study programmes and more than 1,000 bachelor study programmes in tourism and hospitality worldwide. Every study programme attempts to provide the best curriculum ensuring that graduates develop competencies and skills needed by the industry.

Meeting the industry’s requirements and expectations is still the basic aim in developing tourism curricula (Raybould & Wilkins, 2005). However, there is no common definition of the term curriculum. Bunyi in his research refers to “the formal and informal content and processes through which learners gain knowledge, develop skills as well as appropriate attitudes and values all of which are directed towards the achievement of the objectives and goals of an education program” (Bunyi, 2013: 680). Therefore, as argued by Zehrer and Mössenlechner (2009), the aim of every curriculum developer and planner is to create such a curriculum, that graduates could develop competencies enabling them to work in the changing environment of tourism and hospitality business world. The approach used by White (1988) and Markee (2002) has been adopted in this study in which curriculum is perceived as educational philosophy, the goal and objectives of the programme, learning outcomes to be attained, criteria for the programme’s evaluation and improvement and programme management.

Nowadays “graduates are expected to be competent in a broad range of areas, comprising both field-specific and generic skills” (Allen & van der Velden, 2009: 71). They need to upgrade occupation-specific skills and such transversal skills as communication, team-working, self-management, creativity, and innovation (Learning while Working, 2011). A task of university is to ensure opportunities of enhancing these skills and competencies. This is important both for university graduates to get
employment and build their careers and for the industry that needs well-educated and qualified staff. Therefore, it is crucial that tourism curricula meet the industry requirements and expectations. However, in practice there are problems that stem from different perceptions of that aim.

There has always been a question if the current curriculum and the methods of implementation correspond to students’, graduates’ and employers’ needs and expectations. In order to improve the curriculum and adapt it as well as further apply the most adequate methods and activities to acquire knowledge and skills defined, the research was carried out in Turiba University.

The present paper studies the needs and expectations of graduates and industry and analyzes the compliance of tourism education with the industry needs to determine the most significant gaps between them and elaborate suggestions on how to diminish these gaps.

Literature review

Several studies have been conducted aimed at understanding the needs of the industry in terms of competencies and skills. Tourism industry itself is very diverse and therefore knowledge and skills needed for employees in the industry also differ from sub-sector to sub-sector (e.g., hotel companies, rural tourism enterprises, tour operators etc.) and from organization to organization (public, private, NGO etc). Tourism Education Future Initiative, where senior tourism educators and industry experts are united, have identified four categories of skills that would be important for industry – skills related to destination stewardship, politics and ethics, enhanced human resources and dynamic business skills (Sheldon, Fesenmaier, Woeber, Cooper, & Antonioli, 2007). Other scholars have discovered that skills like foreign language proficiency, communication, decision-making abilities, and others can be singled out as the most important ones for the needs of tourism and hospitality industry (Luka & Donina, 2012; Zehrer & Mössenlechner, 2009). Equal attention should be paid to problem-solving, maintaining professional and ethical standards, and recognizing operational problems (Christou & Sigala, 2001). Raybould and Wilkins (2005) determined that the most valuable skills considered by the industry are: skills to deal effectively with customers’ problems, operate effectively and calmly in crisis situations and maintain professional and ethical standards in the work environment.

The terms hard skills and soft skills have been applied in many works. Hard skills “correspond to the skills in the technical and administrative categories, and soft skills correspond to the skills in the human, conceptual, leadership, and interpersonal categories” (Weber, Crawford, Lee, & Dennison, 2013: 315). Soft skills are also associated with people’s skills or behavioural skills, whereas hard skills refer to technical
skills (Rao, 2010). Soft skills may be considered as generic skills because they are basic skills necessary both for everyday life and employability.

Fallows and Stevens (2000) stressed that there is a need for university wide initiative to enhance the development of employability skills, in particular generic skills, within the university curriculum. Generic skills build self-esteem and self-confidence that enable personal and professional advancement (Rao, 2010). Acquisition of generic skills enhances graduates’ employability in terms of employment opportunities and prospects (Rao, 2010; Selvadurai, Choy, & Maros, 2012). Among the more widely cited generic skills are critical thinking, problem-solving, interpersonal skills, a capacity for logical and independent thinking, communication and information management skills, creativity, ethical awareness and practice, integrity, and tolerance (Bath, Smith, Stein, & Swann, 2004).

The term employability skills appeared in literature only comparatively recently. Employability or work-readiness means the ability of a graduate to ensure economic competitiveness. The Dearing report (1997) identified a set of key skills relevant throughout life, not simply in employment. Dearing defined them as communication, numeracy, IT and learning how to learn at a higher level. This partly coincides with the key competences defined by the EU — communication, mathematical competence, social and civic competences, learning-to-learn, and others (European Communities, 2006). Generic skills needed to enhance graduates’ employability are now typically seen as those emphasized by Dearing (1997), as well as additional aspects such as literacy, problem-solving and team-working skills (Mason, Williams, & Cranmer, 2009). Nowadays, these defined skills form the basis for different studies regarding graduates’ employability, together with specific skills or their interpretation. For example, studies in Spain emphasized interpersonal skills, management skills, problem resolution, and decision making (Cervera-Taulet, & Ruiz-Molina, 2008) and the ability to apply knowledge to practice (Munar, & Montaño, 2009). According to Andrews and Higson (2008) the most significant key transferable soft skills and competencies for graduates’ employability are professionalism, the ability to cope with uncertainty, the ability to plan and think strategically, creativity and self-confidence. Depending on the industry, the capability to communicate and interact with others, either in teams or through networking, and good written and verbal communication skills can be very important.

Employability is a highly complex concept, which is both difficult to articulate and define. As it is seen from different studies, employability skills can be defined differently, but analysing them in-depth, in general, they are interpreted similarly.

The employability skills identified by different scholars vary considerably in the way they are organized (Cotton, 2008). There is a study identifying 35 different skills within one management skills category
only (Dhiman, 2012) while another scholars’ group named 16 skills in five categories (Selvadurai, et al., 2012).

Therefore, it can be concluded that employability skills can be defined by a researcher, university or industry enterprises, on the basis of a general approach that a certain set of skills should correspond to the industry requirements globally.

Nowadays, employers are looking for a more flexible, adaptable workforce (Zehrer & Mössenlechner, 2009) with transferable skills (Dhiman, 2012). Therefore, this article will concentrate on the analysis of skills graduates need to possess in order to successfully operate in tourism and hospitality enterprises. Hence, here the main attention is focused on employability skills, as they could be considered transferable.

Moreover, different countries may interpret employability differently. There are countries where special qualification frameworks or standards are developed in cooperation between academic personnel and industry representatives. Latvia is one of those countries. However, at the moment there is no profession standard approved for tourism and hospitality industry specialists in Latvia. Furthermore, taking into account that tourism is among the most global industries and graduates of Turiba University build their professional career not only in Latvia but also in other countries, it was important for the authors of the present research to understand what skills are considered as most important employability skills in tourism and hospitality industry and how they could be enhanced.

**METHOD**

**Purpose of the research**

Meeting the industry requirements and expectations is still the basic aim of tourism curricula. However, practice points to problems that stem from differing perceptions of the aim by the various stakeholders (industry, educators, and students). Therefore, the present paper seeks answers to how to diminish this gap. The purpose of the research is to identify the most significant gaps by means of exploring compliance of tourism education with the industry needs and elaborate suggestions on diminishing them.

**Research questions**

The following research questions are addressed: 1) What are the most significant differences between different stakeholders regarding the content of tourism curriculum? 2) What challenges have to be solved to diminish the gap between the industry and sustainable tourism curriculum?
Place and period of the research

The research was conducted in 2013 in Turiba University, the largest private university in Latvia, which had 4,286 students in the study year 2012/2013 and more than 12,000 alumni since its foundation in 1993. The programme under analysis in the present research – Tourism and Hospitality Management programme – is the most popular programme of the University and it has also been granted WTO TedQual accreditation certificate. The Professional bachelor’s study programme Tourism and Hospitality Management is developed to ensure that graduates are able to demonstrate basic and specialized knowledge relevant to the profession, make decisions and solve problems, take on responsibility and initiative, independently structure their own professional development. To ensure the development and consolidation of practical skills and abilities each study course programme has at least 1/3 of lessons conducted as practical lessons. Professional practical skills are acquired during internship which is foreseen at the end of every study year in tourism and hospitality enterprises. Studies conclude with a state examination which includes the defence of the Bachelor Thesis. Upon successful completion of the study programme, graduates are awarded professional qualification – the head of the company and institutions (Self-evaluation report, 2013).

Research paradigm and methodology

The study follows traditions of pragmatism paradigm often used in management research which “argues that the most important determinant of the epistemology, ontology and axiology to adopt is the research question” (Sounders, Lewis, & Thornhill, 2009: 109). Considering ontology, pragmatism enables answering the research question best because of the chosen external, multiple views. Considering epistemology, pragmatism focuses on applied research integrating different perspectives of data interpretation. Regarding axiology, values play a large role in interpreting results. Regarding data collection techniques, mixed or multiple method designs are appropriate (Sounders, et al., 2009). Another advantage of pragmatism lies in the fact that it does not require huge samples and applies a practical approach integrating different perspectives in answering the research questions.

The research is explanatory (analytical) as it investigates the situation, analyzes it and seeks to explain the reasons “by discovering and measuring causal relations among them” (Collis & Hussey, 2009: 6) searching for new knowledge in order to assess phenomena in a new light. Explanatory research was selected for the research because, as argued by Sounders, et al. (2009), the emphasis in explanatory research is on studying an issue in order to explain the relationships between variables.
Regarding the research strategy, the survey strategy was selected as it involves the structured collection of data from a created sample. Surveys are commonly used in business and management studies, because the data obtained are standardized and easily comparable and understandable. It allows analyzing the data using descriptive and inferential statistics (Sounders, et al., 2009). Therefore, the mixed-mode survey of stakeholders (face-to-face and e-mail) applying a questionnaire as a tool was conducted by addressing two samples: 91 industry employers and 95 graduates of the programme Tourism and Hospitality Management.

Sample

Cluster sampling comprising 95 graduates (75 female, 20 male) of Tourism and Hospitality Management programme of the study year 2012/2013 was selected and it involved all full time programme graduates of the respective study year. 83 respondents were aged 20-25, 12 respondents – aged 26-30. 69 respondents had employment in Latvia, 23 were not employed at the moment of the survey. 80 graduates had full-time or part-time work experience in tourism and hospitality field.

Another cluster sampling of 91 tourism employers in whose enterprises the graduates had undergone their pre-diploma internship training was selected. 41 of them were top-level managers, 40 – mid-level managers. 32 were employed in the lodging sector, 28 – in the catering sector, 12 – in travel agencies and tour operating companies. 13 represented SMEs, 25 – medium-sized tourism enterprises, 17 – large tourism enterprises and 30 very large tourism enterprises.

According to O’Leary (2010) the advantages of cluster sampling lie in the fact that it involves surveying whole clusters of definite population (in this case, university graduates of a certain programme and tourism employers offering internship training to certain students), and full population lists are not needed to obtain valid results.

Questionnaire

In accordance with Sounders, et al. (2009) questionnaires tend to be used for descriptive and explanatory research as they enable researchers to identify and describe the variability in different phenomena and examine and explain relationships between different variables.

Mixed-mode survey (face-to-face and e-mail) was administered. Graduates’ survey was administered on a face-to-face basis and the graduates filled in the questionnaire after the defense of their Bachelor’s Paper. Employers were contacted face-to-face and by e-mail in order to fill in the questionnaire. The employers’ questionnaire was administered after students had completed their internship in the def-
The questionnaires contained category questions and Likert style rating scale questions.

Graduates’ survey comprised the following parts: information about the respondent (age, work experience, gender); self-assessment of knowledge, skills and competencies developed during studies and their application at work.

Employers’ survey comprised the following parts: significance of certain knowledge, skills and competencies for employment in tourism and hospitality industry; assessment of graduates’ knowledge, skills and competencies and their application at work; and information about the respondent (the type of enterprise, the size of enterprise, position).

Intra-group and cross-group analysis of findings applying SPSS software was performed.

Research design and research methods

The research consisted of 3 parts: the context analysis, setting up the methodological framework, empirical study (graduates’ survey and employers’ survey) comprising data collection and analysis, as well as designing the model and elaborating conclusions. The research design is shown in Figure 1.

The study uses multiple methods, namely multi-method quantitative approach, which according to Sounders et al. (2009) is increasingly used in business and management research comprising also primary and secondary data analysis. The use of multiple methods implies the application of more than one data collection technique and analysis procedures to answer the research question.

In the present research the following research methods have been applied: 1) literature review on tourism education and employability skills; 2) primary data collection methods (graduates’ survey and tourism employers’ survey) applying face-to-face and e-mail questionnaires; 3) secondary data collection (documentary, multiple source, and ad hoc surveys) methods; 4) data analysis and interpretation methods (analysis of descriptive statistics, inferential statistics analysis – Cronbach’s Alpha Reliability Statistics test, Kolmogorov-Smirnov Z test to test empirical distribution, according to the results non-parametric methods for further data analysis). Descriptive statistics was collected in order to analyze general opinions and trends and compare the respondents’ answers to the questions. This included the analysis of frequencies, means, modes and medians. Special attention was paid to means and modes as according to Collis & Hussey (2009) means reveal the arithmetic value of the responses and medians – the most frequently occurring value in a data set, thus pointing to the majority opinion. Cronbach’s Alpha Reliability Statistics test was applied to test internal consistency between the questions and data validity and reliability. Next, Kolmog-
The empirical distribution was determined using the Kolmogorov-Smirnov Z test, with non-parametric tests being applied to analyze the difference between two or more variables and between two and more groups. According to Baggio & Klobas (2011), the Mann-Whitney U-test was applied to determine if there was a difference in the opinion between two samples, the Wilcoxon Signed Ranks test was applied to analyze the difference between two pairs, the Kruskal Wallis test was applied to analyze the difference between more than two groups, and Kendall’s tau-b correlation test was applied to investigate correlations. The p-value method was used for data analysis and interpretation.
RESULTS

Graduates’ Survey

Applying Likert-style scale (where 1=very bad, 2=bad, 3=rather bad, 4=average, 5=good, 6=very good) graduates evaluated their knowledge acquired and skills and competencies developed during studies at Turiba University. The findings show that overall graduates evaluated their knowledge (means ranging from 3.7263 to 4.9579, medians 4.0000 and 5.0000, modes 4.00 and 5.00), skills and competencies (means ranging from 3.0105 to 5.4737, medians mostly 5.0000 and 6.0000, modes mostly 5.00 and 6.00) as average and good (refer to Table 1).

The highest evaluation of knowledge was given to the knowledge acquired in the courses Personnel Management and Psychology which might be referred to as general courses developing generic competencies. Regarding special professional courses the highest evaluation was given to the knowledge acquired in the courses Hotel Operations and Management and Tourism and Hospitality Industry Operations. In turn, the lowest evaluation was given to the knowledge acquired in professional courses Economics and Financial Management and Accounting both of which are significant to manage businesses successfully. Regarding self-evaluation of skills and competencies employability skills were evaluated quite high; for example, team working skills, problem-solving skills, organizational skills. The lowest evaluation was given to German/French language skills which points to the necessity to practice these skills during studies more. A similar self-evaluation of students’ second foreign language skills was obtained in a study (Luka, Donina, 2012) conducted in Turiba University in 2009. Graduates admitted that they had positive attitude to work and they were able to apply theoretical knowledge in practice which is essential for any business.

Moreover, the analysis of frequencies showed that on average 60 graduates out of 95 admitted that their knowledge, skills and competencies were good and very good. In 18 parameters out of 30 the numbers exceeded 60; for example, responsibility for one’s actions and decisions (88 graduates), ability to demonstrate positive attitude to work and communication abilities with colleagues and managers at different levels (87 in each position), communication abilities with guests (84), English language skills and the capability of using MS Office programs (79 in each), problem-solving skills (73), organizational skills (72), etc. These skills and competencies are both generic skills and employability skills.
Table 1. Self-evaluation of graduates’ knowledge, skills and competencies

<table>
<thead>
<tr>
<th>Self-evaluation of the:</th>
<th>Mean</th>
<th>Median</th>
<th>Mode</th>
</tr>
</thead>
<tbody>
<tr>
<td>Knowledge acquired in the course Tourism and Hospitality Industry Operations</td>
<td>4.6737</td>
<td>5.0000</td>
<td>5.00</td>
</tr>
<tr>
<td>Knowledge acquired in the course Tourism Management</td>
<td>4.2842</td>
<td>4.0000</td>
<td>4.00</td>
</tr>
<tr>
<td>Knowledge acquired in the course Financial Management and Accountancy</td>
<td>3.7579</td>
<td>4.0000</td>
<td>4.00</td>
</tr>
<tr>
<td>Knowledge acquired in the course Economics</td>
<td>3.7263</td>
<td>4.0000</td>
<td>4.00</td>
</tr>
<tr>
<td>Knowledge acquired in the course Psychology</td>
<td>4.8842</td>
<td>5.0000</td>
<td>5.00</td>
</tr>
<tr>
<td>Knowledge acquired in the course Personnel Management</td>
<td>4.9579</td>
<td>5.0000</td>
<td>5.00</td>
</tr>
<tr>
<td>Knowledge acquired in the course Hotel Management and Reservation Systems</td>
<td>4.3158</td>
<td>4.0000</td>
<td>4.00(a)</td>
</tr>
<tr>
<td>Knowledge acquired in the course Hotel Operations and Management</td>
<td>4.7368</td>
<td>5.0000</td>
<td>5.00</td>
</tr>
<tr>
<td>Knowledge acquired in the course Catering Management and Organization</td>
<td>4.1474</td>
<td>4.0000</td>
<td>5.00</td>
</tr>
<tr>
<td>Knowledge acquired in the course International Tourism and Globalization</td>
<td>4.3789</td>
<td>4.0000</td>
<td>4.00(a)</td>
</tr>
<tr>
<td>Knowledge acquired in the course Tour Organization and Management</td>
<td>4.4211</td>
<td>4.0000</td>
<td>4.00</td>
</tr>
<tr>
<td>Knowledge acquired in the course Marketing</td>
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<td>English language skills</td>
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<td>5.00</td>
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<tr>
<td>German/French language skills</td>
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<td>3.0000</td>
<td>3.00</td>
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<tr>
<td>Russian language skills</td>
<td>4.5368</td>
<td>5.0000</td>
<td>6.00</td>
</tr>
<tr>
<td>Communication abilities with guests</td>
<td>5.3474</td>
<td>5.0000</td>
<td>6.00</td>
</tr>
<tr>
<td>Communication abilities with colleagues and managers of different levels</td>
<td>5.3684</td>
<td>5.0000</td>
<td>6.00</td>
</tr>
<tr>
<td>Reservation system skills</td>
<td>4.4000</td>
<td>4.0000</td>
<td>4.00</td>
</tr>
<tr>
<td>Capability to use MS Office programs</td>
<td>5.3684</td>
<td>6.0000</td>
<td>6.00</td>
</tr>
<tr>
<td>Organizational skills</td>
<td>4.9368</td>
<td>5.0000</td>
<td>5.00</td>
</tr>
<tr>
<td>Ability to manage and control others</td>
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<td>5.0000</td>
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<td>Team working skills</td>
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<td>6.0000</td>
<td>6.00</td>
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<tr>
<td>Problem solving skills</td>
<td>4.9684</td>
<td>5.0000</td>
<td>5.00</td>
</tr>
<tr>
<td>Ability to motivate others</td>
<td>4.9053</td>
<td>5.0000</td>
<td>5.00</td>
</tr>
<tr>
<td>Responsibility about one’s actions and decisions</td>
<td>5.3368</td>
<td>5.0000</td>
<td>5.00</td>
</tr>
<tr>
<td>Capability to apply strategic approach to enterprise management</td>
<td>4.7053</td>
<td>5.0000</td>
<td>5.00</td>
</tr>
<tr>
<td>Ability to demonstrate positive attitude towards work</td>
<td>5.4737</td>
<td>6.0000</td>
<td>6.00</td>
</tr>
<tr>
<td>Ability to apply theoretical knowledge in practice</td>
<td>5.0000</td>
<td>5.0000</td>
<td>5.00</td>
</tr>
<tr>
<td>Ability to express and argument one’s opinion and ideas</td>
<td>4.8632</td>
<td>5.0000</td>
<td>5.00</td>
</tr>
<tr>
<td>Presentation skills</td>
<td>4.3474</td>
<td>5.0000</td>
<td>5.00</td>
</tr>
</tbody>
</table>

*Multiple modes exist. The smallest value is shown.*
Graduates also had to evaluate factors enhancing their knowledge, skills and competencies. Top positions were taken by such integral parts of the study programme as internship (93.68%), elaboration of Study papers and Diploma paper (67.37%) and performing of independent tasks (58.95%) (refer to Figure 2).

| Participation in Students’ Council | 5.26% |
| Other projects and competitions    | 9.47% |
| Elaborating research papers       | 67.37% |
| Visiting lecturers                | 24.21% |
| Lectures                         | 46.34% |
| Performing of independent tasks   | 58.95% |
| Working in groups                 | 53.68% |
| Internships                       | 93.68% |

**Figure 2. Factors enhancing graduates’ knowledge, skills and competencies according to their self-evaluation**

Tourism and Hospitality Management programme is designed in such a way that all students undergo three internships in the industry and additionally a pre-diploma placement, elaborate three Study papers and Diploma paper (Bachelor’s Thesis) and the scope of independent tasks is 70%. Independent tasks or as defined in the current programme – self-dependent studies – is a compulsory part of studies at Turiba which comprises students’ independent work during the study course and its scope corresponds to the amount of ECTS to be acquired during the course. Self-dependent studies include: studying of compulsory and additional literature and sources, doing regular tests, preparing for lectures, seminars, tests, final tests and examinations, and performing other tasks in accordance with the course requirements.

Internship and lectures form a considerable part of the studies; therefore, these two factors were analyzed in-depth. On average, 23 graduates acknowledged lectures and 44 – internship as a very significant factor in developing their knowledge. Figure 3 shows the extent to which graduates, who had highly and very highly evaluated their knowledge, recognized internship and lectures as factors enhancing their knowledge acquisition.
Comparing these factors 24.47% of graduates having good and very good knowledge in the courses acknowledged that they had acquired it in lectures, whereas 46.75% stressed the role of internship. In turn, on average 35 graduates acknowledged lectures and 67 – internship as a very significant factor in developing their skills and competencies. The findings show the importance of the role of internship in enhancing in particular students’ professional knowledge, as knowledge in such courses as Hotel Operations and Management, Personnel Management, Tourism and Hospitality Industry Operations are enhanced during internship much more than in lectures. In fact, there is no study course wherein knowledge was enhanced more in lectures than during internship. Figure 4 shows the extent to which graduates, who had highly and very highly evaluated their skills and competencies, recognized internship and lectures as factors enhancing their development.
Comparing these factors 36.47% of graduates having good and very good skills and competencies acknowledged that they had developed them in lectures, whereas 70.77% stressed the role of internship.

In both cases findings indicate a predominance of the development of skills, competencies and knowledge during internship which emphasizes the significance of internship in the study process and points to the necessity of the university to work hand-in-hand with the industry in order to intensify the internship content and management.

The applied Kruskall Wallis test shows that there is no significant difference in respondents’ opinion analyzing the data in accordance with their work experience (p-value=0.099-0.988) and their employment sector (p-value=0.087-0.870). Cronbach’s Alpha test validates good internal consistency and very high validity ($\alpha=0.856$) as well as very high data reliability ($s=0.846-0.869$). Thus, the results may be generalized to all graduates of the present tourism curriculum.

Employers’ Survey

Applying Likert-style scale (where 1=not important, 2=not really important, 3=rather important, 4=average, 5=important, 6=very important) tourism employers evaluated the significance of certain knowledge, skills and competencies for successful operation in tourism and hospitality industry. The findings show that overall employers recognized the importance of all knowledge, skills and competencies the development of which are included in the curriculum under investigation (means ranging from 3.9780 to 5.8242, medians mostly 6.0000 and 5.0000, modes mostly 6.00 and 5.00). The only two parameters which got lower medians (4.0000) and modes (4.00) were knowledge in Economics and German/French language skills. Analyzing these two parameters according to the sector it is evident that employers from the accommodation sector evaluated the significance of knowledge in Economics slightly higher (25% very important and 18.75% important) than those from the catering sector (14.29% very important, 25% important) and employers from tourist information centres (TIC), travel agencies and tour operating companies (14.29% very important and 21.43% important). In turn, employers from the accommodation sector evaluated the necessity of German/French language skills lower (9.38% very important and 40.61% important) than employers from TIC, travel agencies and tour operating companies (28.57% very important and 28.57% important) but higher than employers from the catering sector (10.71% very important and 28.57% important). This shows that the results are sector-specific.

Applying Likert-style scale (where 1=very bad, 2=bad, 3=rather bad, 4=average, 5=good, 6=very good) employers evaluated graduates’ knowledge, skills and competencies (refer to Table 2).
<table>
<thead>
<tr>
<th>Evaluation of:</th>
<th>Mean</th>
<th>Median</th>
<th>Mode</th>
</tr>
</thead>
<tbody>
<tr>
<td>Knowledge acquired in the course Tourism and Hospitality Industry Operations</td>
<td>4.4835</td>
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</tr>
<tr>
<td>Knowledge acquired in the course Tourism Management</td>
<td>4.0989</td>
<td>4.0000</td>
<td>4.00</td>
</tr>
<tr>
<td>Knowledge acquired in the course Financial Management and Accountancy</td>
<td>3.7143</td>
<td>4.0000</td>
<td>4.00</td>
</tr>
<tr>
<td>Knowledge acquired in the course Economics</td>
<td>3.7582</td>
<td>4.0000</td>
<td>4.00</td>
</tr>
<tr>
<td>Knowledge acquired in the course Psychology</td>
<td>4.8352</td>
<td>5.0000</td>
<td>5.00</td>
</tr>
<tr>
<td>Knowledge acquired in the course Personnel Management</td>
<td>4.1648</td>
<td>5.0000</td>
<td>5.00</td>
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<tr>
<td>Knowledge acquired in the course Hotel Management and Reservation Systems</td>
<td>3.6044</td>
<td>4.0000</td>
<td>4.00(a)</td>
</tr>
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<td>Knowledge acquired in the course Hotel Operations and Management</td>
<td>3.4286</td>
<td>4.0000</td>
<td>4.00</td>
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<tr>
<td>Knowledge acquired in the course Catering Management and Organization</td>
<td>3.9011</td>
<td>5.0000</td>
<td>5.00</td>
</tr>
<tr>
<td>Knowledge acquired in the course International Tourism and Globalization</td>
<td>3.8132</td>
<td>4.0000</td>
<td>5.00</td>
</tr>
<tr>
<td>Knowledge acquired in the course Tour Organization and Management</td>
<td>3.5824</td>
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<td>Knowledge acquired in the course Marketing</td>
<td>4.2088</td>
<td>5.0000</td>
<td>5.00</td>
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<td>Graduates’ English language skills</td>
<td>5.1319</td>
<td>5.0000</td>
<td>5.00</td>
</tr>
<tr>
<td>Graduates’ German/French language skills</td>
<td>3.1319</td>
<td>3.0000</td>
<td>3.00</td>
</tr>
<tr>
<td>Graduates’ Russian language skills</td>
<td>4.6923</td>
<td>5.0000</td>
<td>6.00</td>
</tr>
<tr>
<td>Graduates’ communication abilities with guests</td>
<td>5.1429</td>
<td>5.0000</td>
<td>6.00</td>
</tr>
<tr>
<td>Graduates’ communication abilities with colleagues and managers of different levels</td>
<td>5.3626</td>
<td>6.0000</td>
<td>6.00</td>
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<td>Graduates’ communication abilities with Latvian tourists</td>
<td>5.0879</td>
<td>5.0000</td>
<td>6.00</td>
</tr>
<tr>
<td>Graduates’ communication abilities with foreign tourists</td>
<td>5.0000</td>
<td>5.0000</td>
<td>6.00</td>
</tr>
<tr>
<td>Graduates’ reservation system skills</td>
<td>4.1099</td>
<td>5.0000</td>
<td>5.00</td>
</tr>
<tr>
<td>Graduates’ capability to use MS Office programs</td>
<td>5.0220</td>
<td>5.0000</td>
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<tr>
<td>Graduates’ organizational skills</td>
<td>4.6374</td>
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<td>5.00</td>
</tr>
<tr>
<td>Graduates’ team working skills</td>
<td>5.3846</td>
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<td>Graduates’ problem solving skills</td>
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<td>5.0000</td>
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<td>Graduates’ ability to motivate others</td>
<td>4.6813</td>
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<td>Graduates’ responsibility about their actions and decisions</td>
<td>5.2637</td>
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<td>Graduates’ capability to apply strategic approach to enterprise management</td>
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</tr>
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<td>Graduates’ initiative</td>
<td>4.9451</td>
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<td>5.00</td>
</tr>
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<td>Graduates’ creativity</td>
<td>5.0659</td>
<td>5.0000</td>
<td>6.00</td>
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<td>Graduates’ ability to demonstrate positive attitude towards work</td>
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<td>6.0000</td>
<td>6.00</td>
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<tr>
<td>Graduates’ ability to apply theoretical knowledge in practice</td>
<td>5.0659</td>
<td>5.0000</td>
<td>6.00</td>
</tr>
<tr>
<td>Graduates’ ability to express and argument their opinion and ideas</td>
<td>4.9451</td>
<td>5.0000</td>
<td>6.00</td>
</tr>
<tr>
<td>Graduates’ presentation skills</td>
<td>4.3187</td>
<td>5.0000</td>
<td>5.00</td>
</tr>
</tbody>
</table>

*a Multiple modes exist. The smallest value is shown*
In general, employers evaluated the graduates’ knowledge as average (means ranging from 3.4286 to 4.8352, medians mostly 4.0000, modes 4.00 and 5.00), whereas they evaluated the graduates’ skills and competencies as good (means ranging from 4.1099 to 5.4396, medians mostly 5.0000 and 6.0000, and modes 5.00 and 6.00). The exception was the graduates’ German/French language skills (mean 3.1319, median 3.0000, mode 3.00). According to the employers graduates have highly developed employability skills such as: communication abilities with foreign tourists, communication abilities with colleagues and managers of different levels, team working skills and responsibility for their own actions and decisions. In turn, more attention should be paid to the development of students’ knowledge in special professional courses in which graduates received a comparatively low evaluation – Financial Management and Accountancy, Economics, Hotel Operations and Management.

Analyzing the data regarding the field of enterprise in most cases there were no significant differences in the opinion of employers (p-value=0.087-0.982). However, the differences appeared in the following four sector-specific parameters: importance of potential employees’ knowledge in Hotel Management and Reservation Systems (p-value=0.000), Hotel Operations and Management (p-value=0.000), Catering Management and Organization (p-value=0.000) and in evaluation of graduates’ knowledge in Catering Management and Organization (p-value=0.016). The first two of those parameters are more highly evaluated by employers from the accommodation sector, TIC and travel agencies than by those from the catering sector, whereas the other two parameters are more highly evaluated by employers from the catering sector and TIC than other sectors. Those data may be generalized for the sector. Differences were also discovered in the following five parameters referring to employability skills: importance of English language skills of potential employees (p-value=0.026), communication skills working with foreign tourists (p-value=0.027), the skills of applying MS Office programs (p-value=0.005), positive attitude towards work (p-value=0.037) and evaluation of graduates’ English language skills (p-value=0.039). The differences were discovered in all sectors.

Analyzing the data by the employer’s position at the company (top-level, mid-level, lower-level manager) in most cases there were no significant differences in the opinion of employers (p-value=0.061-0.948). However, differences were observed in the following parameters: evaluation of graduates’ knowledge in Marketing (p-value=0.014), importance of communication abilities with colleagues and managers of different levels (p-value=0.016) and team working skills (p-value=0.020), evaluation of graduates’ communication abilities with guests (p-value=0.042), graduates’ team working skills (p-value=0.017), responsibility for their own actions and decisions (p-value=0.007) and ability to express and
argument their opinion (p-value=0.013). Evaluating the graduates’ knowledge in *Marketing* top-level managers evaluated it slightly higher than knowledge in other parameters (mean 4.8049 cf. to 3.7317-4.7805, except the mean for knowledge in *Psychology* 5.1463), whereas lower level managers evaluated it comparatively lower than knowledge in other parameters (mean 3.1429 cf. to 2.857-4.7143). The means concerning the importance of employability skills and competencies for top-level managers are 4.2439-5.8537, for mid-level managers – 3.7750-5.9250, for lower level managers – 3.8571-5.8571. Both, concerning the importance of communication abilities with colleagues and managers of different levels, and team working skills top-level managers evaluated them slightly lower in these parameters (mean 5.7073 and 5.5368 respectively) compared to the evaluation done by lower-level managers (mean 6.0000 for each). Regarding evaluation of graduates’ skills and competencies the differences do not follow the same pattern. In some cases top-level managers evaluated a certain parameter on average higher than other parameters, for example, responsibility for their own actions and decisions (mean 5.5122 cf. to 3.2439-5.5854), in other cases – comparatively lower, for example, ability to express and argument their opinion (mean 5.2439). Lower-level managers on average evaluated graduates’ competencies and skills high in these parameters: communication abilities with guests (mean 5.8571 cf. to 3.4286-6.0000), team working skills (mean 6.0000), graduates’ responsibility for their own actions and decisions (mean 5.8571) and ability to express and argument their opinion (mean 5.7143).

Analyzing the data by the company size, overall, there were no significant differences in the opinion of employers (p-value=0.084-0.991). Differences were discovered only in two parameters: importance of potential employees’ knowledge in *Hotel Management and Reservation Systems* (p-value=0.033, mean rank for SME 54.81, for medium-sized companies 32.56, for large companies 42.47 and for very large companies 46.88) and importance of potential employees’ knowledge in *Hotel Operations and Management* (p-value=0.007, mean rank for SME 49.62, for medium-sized companies 30.70, for large companies 39.74 and for very large companies 52.33).

Cronbach’s Alpha test validates excellent internal consistency and extremely high validity (α=0.958) as well as very high data reliability (s=0.957-0.959).

To conclude, as the employers’ survey showed mainly some significant differences in sector-specific parameters but, overall, there were no significant differences in other parameters the employers’ data may be generalized considering the specifics of the sector. This has to be taken into consideration when developing and/or improving a curriculum.
Data Comparison

The applied Mann-Whitney U-test revealed the differences between the opinion of the two samples in 19 out of 29 issues under analysis. In 4 parameters significant differences (Baggio & Klobas, 2011) were discovered ($p=0.01-0.05$), in 5 parameters – very significant differences ($p=0.001-0.01$) and in 10 parameters extremely significant differences ($p<0.001$) were revealed (refer to Table 3).

Table 3. Findings of Mann-Whitney U-test in terms of the respondents’ group

<table>
<thead>
<tr>
<th>Evaluation of:</th>
<th>Mann-Whitney U</th>
<th>Z</th>
<th>Asymp. Sig. (2-tailed)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tourism and Hospitality Industry Operations knowledge</td>
<td>4052.500</td>
<td>-.777</td>
<td>.437</td>
</tr>
<tr>
<td>Tourism Management knowledge</td>
<td>3753.000</td>
<td>-1.612</td>
<td>.107</td>
</tr>
<tr>
<td>Financial Management and Accountancy knowledge</td>
<td>3520.500</td>
<td>-2.259</td>
<td>.024</td>
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<tr>
<td>Economics knowledge</td>
<td>3316.500</td>
<td>-2.853</td>
<td>.004</td>
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<td>Psychology knowledge</td>
<td>2802.000</td>
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<td>.000</td>
</tr>
<tr>
<td>Personnel Management knowledge</td>
<td>3905.000</td>
<td>-1.201</td>
<td>.230</td>
</tr>
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<td>Hotel Management and Reservation Systems knowledge</td>
<td>3862.500</td>
<td>-1.287</td>
<td>.198</td>
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<td>Hotel Operations and Management knowledge</td>
<td>3654.000</td>
<td>-1.882</td>
<td>.060</td>
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<tr>
<td>Catering Management and Organization knowledge</td>
<td>3511.000</td>
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<td>.023</td>
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<tr>
<td>International Tourism and Globalization knowledge</td>
<td>4177.500</td>
<td>-.407</td>
<td>.684</td>
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<tr>
<td>Tour Organization and Management knowledge</td>
<td>4097.000</td>
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<tr>
<td>Marketing knowledge</td>
<td>3334.500</td>
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<td>.005</td>
</tr>
<tr>
<td>English language skills</td>
<td>2624.000</td>
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<td>.000</td>
</tr>
<tr>
<td>German/French language skills</td>
<td>2279.000</td>
<td>-5.706</td>
<td>.000</td>
</tr>
<tr>
<td>Russian language skills</td>
<td>2526.500</td>
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<td>.000</td>
</tr>
<tr>
<td>Communication abilities with guests</td>
<td>2627.000</td>
<td>-5.610</td>
<td>.000</td>
</tr>
<tr>
<td>Communication abilities with colleagues and managers of different levels</td>
<td>2743.500</td>
<td>-5.138</td>
<td>.000</td>
</tr>
<tr>
<td>Reservation system skills</td>
<td>3621.000</td>
<td>-1.971</td>
<td>.049</td>
</tr>
<tr>
<td>Capability to use MS Office programs</td>
<td>4131.500</td>
<td>-.578</td>
<td>.563</td>
</tr>
<tr>
<td>Organizational skills</td>
<td>3108.000</td>
<td>-3.595</td>
<td>.000</td>
</tr>
<tr>
<td>Team working skills</td>
<td>3336.000</td>
<td>-3.124</td>
<td>.002</td>
</tr>
<tr>
<td>Problem solving skills</td>
<td>2158.000</td>
<td>-6.442</td>
<td>.000</td>
</tr>
<tr>
<td>Ability to motivate others</td>
<td>3841.500</td>
<td>-1.397</td>
<td>.163</td>
</tr>
<tr>
<td>Responsibility about one's actions and decisions</td>
<td>2606.500</td>
<td>-5.447</td>
<td>.000</td>
</tr>
<tr>
<td>Capability to apply strategic approach to enterprise management</td>
<td>3318.000</td>
<td>-2.913</td>
<td>.004</td>
</tr>
<tr>
<td>Ability to demonstrate positive attitude towards work</td>
<td>3369.500</td>
<td>-3.139</td>
<td>.002</td>
</tr>
<tr>
<td>Ability to apply theoretical knowledge in practice</td>
<td>3441.000</td>
<td>-2.572</td>
<td>.010</td>
</tr>
<tr>
<td>Ability to express and argument one's opinion and ideas</td>
<td>3019.500</td>
<td>-3.811</td>
<td>.000</td>
</tr>
<tr>
<td>Presentation skills</td>
<td>3649.000</td>
<td>-1.917</td>
<td>.055</td>
</tr>
</tbody>
</table>
Overall, differences were discovered mainly in evaluating the graduates’ skills and competencies, all of which might be considered as employability skills. An extremely significant difference was discovered in the following skills and competencies: English language skills, German/French language skills, Russian language skills, communication abilities with guests, communication abilities with colleagues and managers of different levels, organizational skills, problem solving skills, responsibility for one’s actions and decisions and ability to express and argument one’s opinion and ideas (p=0.000).

Regarding knowledge, differences were found in evaluating knowledge in the following study courses: Financial Management and Accountancy (p=0.024), Economics (p=0.004), Psychology (p=0.000), Catering Management and Organization (p=0.023) and Marketing (p=0.005) (refer to Figure 5).

![Figure 5. Evaluation of graduates’ knowledge (courses where significant difference between the two groups was observed)](image)

In majority of the cases employers evaluated the graduates’ knowledge lower than graduates in their self-evaluation: knowledge acquired in the courses Financial Management and Accountancy (mean 3.7143 vs. 3.7579), Psychology (mean 4.8352 vs. 4.8842), Catering Management and Organization (mean 3.9011 vs. 4.1474) and Marketing (mean 4.2088 vs. 4.5263). Only in the course Economics there was an opposite situation – graduates’ self-evaluation was lower than that done by the employers (mean 3.7263 vs. 3.7582).

A similar trend was observed when comparing the evaluation of graduates’ skills and competencies. In most parameters graduates evaluated their skills and competencies higher than employers, except in four: evaluation of graduates’ German/French language
skills (employers’ mean 3.1319 vs. graduates’ mean 3.0105), Russian language skills (mean 4.6923 vs. 4.5368), ability to apply theoretical knowledge in practice (mean 5.0659 vs. 5.0000) and ability to express and argument one’s opinion and ideas (mean 4.8632 vs. 4.9451) (refer to Table 4).

Table 4. Comparison of skills and evaluations by graduates and employers, %

<table>
<thead>
<tr>
<th>Skills and competencies</th>
<th>Group</th>
<th>Very good</th>
<th>Good</th>
<th>Average</th>
<th>Rather bad</th>
<th>Bad</th>
<th>Very bad</th>
<th>No data</th>
</tr>
</thead>
<tbody>
<tr>
<td>English language skills</td>
<td>Graduates</td>
<td>37.89</td>
<td>45.26</td>
<td>14.74</td>
<td>2.11</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>Employers</td>
<td>38.46</td>
<td>46.15</td>
<td>12.09</td>
<td>1.10</td>
<td>0</td>
<td>0</td>
<td>2.20</td>
</tr>
<tr>
<td>German/French language skills</td>
<td>Graduates</td>
<td>0</td>
<td>9.47</td>
<td>25.26</td>
<td>32.63</td>
<td>23.16</td>
<td>8.42</td>
<td>1.05</td>
</tr>
<tr>
<td></td>
<td>Employers</td>
<td>7.69</td>
<td>17.58</td>
<td>19.78</td>
<td>25.27</td>
<td>6.59</td>
<td>10.99</td>
<td>12.09</td>
</tr>
<tr>
<td>Russian language skills</td>
<td>Graduates</td>
<td>36.84</td>
<td>22.11</td>
<td>17.89</td>
<td>13.68</td>
<td>4.21</td>
<td>1.05</td>
<td>4.21</td>
</tr>
<tr>
<td></td>
<td>Employers</td>
<td>32.97</td>
<td>29.67</td>
<td>24.18</td>
<td>7.69</td>
<td>1.10</td>
<td>1.10</td>
<td>3.30</td>
</tr>
<tr>
<td>Communication abilities with guests</td>
<td>Graduates</td>
<td>48.42</td>
<td>40.00</td>
<td>10.53</td>
<td>0</td>
<td>1.05</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>Employers</td>
<td>48.35</td>
<td>37.36</td>
<td>8.79</td>
<td>0</td>
<td>1.10</td>
<td>0</td>
<td>4.40</td>
</tr>
<tr>
<td>Communication abilities with colleagues, managers</td>
<td>Graduates</td>
<td>47.37</td>
<td>44.21</td>
<td>7.37</td>
<td>0</td>
<td>1.05</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>Employers</td>
<td>51.65</td>
<td>38.46</td>
<td>7.69</td>
<td>1.10</td>
<td>0</td>
<td>0</td>
<td>1.10</td>
</tr>
<tr>
<td>Organizational skills</td>
<td>Graduates</td>
<td>20</td>
<td>55.79</td>
<td>22.11</td>
<td>2.11</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>Employers</td>
<td>27.47</td>
<td>38.46</td>
<td>17.58</td>
<td>6.59</td>
<td>0</td>
<td>0</td>
<td>6.59</td>
</tr>
<tr>
<td>Responsibility for actions and decisions</td>
<td>Graduates</td>
<td>41.05</td>
<td>51.58</td>
<td>7.37</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>Employers</td>
<td>51.65</td>
<td>31.87</td>
<td>10.99</td>
<td>4.40</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Ability to express and argument opinions, ideas</td>
<td>Graduates</td>
<td>27.37</td>
<td>45.26</td>
<td>20.00</td>
<td>5.26</td>
<td>0</td>
<td>0</td>
<td>2.11</td>
</tr>
<tr>
<td></td>
<td>Employers</td>
<td>39.56</td>
<td>34.07</td>
<td>18.68</td>
<td>3.30</td>
<td>1.10</td>
<td>0</td>
<td>3.30</td>
</tr>
</tbody>
</table>

This trend might be explained by the fact that graduates still lack work experience and that the scope of internship tasks might not allow the application of the full range of knowledge acquired and skills and competencies developed during studies which consequently influences the evaluation of the graduates’ potential knowledge, skills and competencies. This again points to a necessity for a closer collaboration model between the university and the industry to intensify this collaboration thereby diminishing the gap and enhancing graduates’ employability.

As the applied Cronbach’s Alpha test validates good internal consistency and very high validity ($\alpha=0.892$) as well as very high data reliability (s=0.883-0.896) the data may be generalized as to other tourism students of the present curriculum – the graduates of other study years as well as other tourism employers.
“Employability skills have often fallen on acquisition of generic skills and development of graduates’ attributes. Since the continuum of employability skills is lifelong learning, the acquisition of such generic skills can start from personal attributes of individual graduates” (Selvadurai et al., 2012: 301).

Research, carried out in different geographical regions and occupation areas, regarding employers’ needs and graduates’ skills enhanced during studies clearly show marked differences between them. For example, a study conducted in the United Kingdom (CBI, 2012) stressed employability skills as the most important factor for graduates’ employability. Four out of five employers emphasized their significance. However, the study also pointed to a deficiency of these skills. 47% of employers were not satisfied with business and customer awareness skills and self-management skills (31%) of graduates. Similarly, the study Higher Education as a Generator of Strategic Competences (HEGESCO) conducted across Europe in 2009 (Allen, & van der Velden, 2009) pointed to the significance of collaboration skills, analytical thinking and ability to work under pressure, at the same time, revealed the lack of analytical thinking skills and ability to work under the pressure.

The current research carried out in Latvia, indicates that there is a gap between the knowledge, skills and competencies required by the industry and the level that graduates demonstrate. Compared to the previously-mentioned HEGESCO study (Allen, & van der Velden, 2009) where graduates in some cases demonstrated surplus of skills, e.g., communication abilities and IT skills, in the current study no surplus of skills was discovered. However, the gap was not very large, which points to opportunities of increasing students’ employability skills during practical work, i.e., internship.

Another trend observed in the current study – overall, graduates evaluated their skills and competencies higher than employers did it. These results coincide with the results obtained in the studies conducted in Spain (Boni, & Lozano, 2007; Munar, & Montaño, 2009) in which graduates’ employability skills also got a lower evaluation compared to their significance, the largest gap being for the ability to apply theoretical knowledge in practice. This trend might be explained by graduates’ insufficient work experience which did not enable them thoroughly evaluate their skill level.

Another gap was discovered regarding skills required by the industry. The research revealed that the industry requires more professionals with specific knowledge and skills rather than top-level managers with strategic competencies. This is in contradiction with the objectives of
the bachelor’s study programmes which according to the Qualifications Framework belong to Level 6 programmes and the level descriptors demand demonstration of a high level of general and specific knowledge, generic and subject-specific competencies (Latvian Qualifications Framework Level Descriptors, 2010). Another problem lies in the qualification awarded to graduates of the current study programme – head of the company and institutions which restricts making changes to the curriculum as the content of the curriculum is significantly determined by the qualifications acquired.

The report Employers’ perceptions of the employability skills of new graduates (Lowden, Hall, Elliot, & Lewin, 2011), emphasizes that stakeholders (students, graduates, industry, university professors) recognize work-based learning, including internships, as a particularly effective approach to enhance graduates’ employability skills. Productive cooperation and partnership between university and industry employers is crucial to ensure qualitative cooperation with employers that would enable students to effectively develop their employability skills and competencies. By establishing such cooperation, a better understanding of the role and importance of work placements will be achieved. This is also proved by the study analysing 64 tourism study programmes across the world (Ring, et al., 2008) in which internship was singled out as the most significant attribute.

It follows from the data obtained in the present study that there is a necessity to ensure qualitative cooperation involvement of all stakeholders and the issue of designing a practical governance model for internship phases is topical as well. The present research offers such a model that could be applied to ensure the content of internship and manage it (refer to Figure 6).

![Figure 6. Model of internship management phases](image-url)
The model comprises all stakeholders – higher educational institution (university), the responsibility of which includes planning, organization and controlling of internships in general; enterprise, the responsibility of which is planning, organizing and controlling of actual, particular student’s internship and the student, who is responsible for fulfilling the internship requirements and other regulations thus improving their employability skills. It is essential that any company, agreeing to accept students on internship, clearly understands the goal, tasks and requirements worked out for student placement. Only in such cases the company provides opportunities for students to develop the relevant skills. University’s planning task is to provide companies with such information. The more accurate, clear and specific the university is at the planning phase, the better results can be expected. It helps employers to plan better internship for each particular student. In the organization phase the task of university is to clearly communicate with the company and understand if the company or organization can ensure not only acquisition of the knowledge needed, but also the enhancement of employability skills, which are not always included in the syllabus of internship. The syllabus is the main document at that stage that informs the employer about the aims, tasks and expected learning outcomes, as well as administrative requirements, such as, time, necessary documents etc.

The designed model of internship management phases clearly indicates steps in students’ internship planning and implementation. The first planning phase requires a clear, precise internship description, wherein objectives and learning outcomes are explicitly defined. The internship content and tasks allow the enterprise to identify definite tasks for the student and organize students’ internship in the way that specified tasks are completed. The organizational phase implemented by the university, requires cooperation and congruence between employers and university to ensure that there are possibilities for a student to accomplish the established tasks. When such an agreement is reached, the enterprise can start planning and organizing the internship. Employers should make an extra effort to address issues such as task orientation, autonomy, supervisor support, co-worker cohesion, and remuneration – all of which students will experience firsthand when they join the organization. Establishing good training programs for students, giving them meaningful tasks, and empowering them to manage those tasks in a more creative way could all enhance the internship experience (Yiu & Law, 2012, Singh & Dutta, 2010). Controlling or monitoring is a function done by both – the university and the enterprise. The company monitors each student’s performance and his/her ability to fulfill the defined tasks and the university in turn monitors both – the enterprise’s interest and the student’s ability to exercise the func-
CONCLUSION

The research, conducted within this study, revealed certain differences between views of employers and understanding of graduates regarding knowledge and skills needed for the tourism and hospitality industry. The findings demonstrate that graduates of Turiba University, where research was conducted, evaluated their knowledge and skills as average and good. Graduates evaluated their employability skills, which were mostly acquired during internship, comparatively higher than employers. Internship was also mentioned as the main factor for acquiring the ability to demonstrate positive attitude towards work, responsibility for one’s actions and decisions and communication abilities with colleagues. Graduates evaluated quite high the development of research papers, during which knowledge in marketing, tour operations and personal management was acquired.

Lectures, visiting lecturers and participation in various projects were evaluated substantially lower as factors affecting the acquisition of knowledge and skills needed for their future employability. This proves that the trend to reduce lectures and increase self-learning is indeed the proper way. Changing the way how students acquire their knowledge and skills from the traditionally applied to more contemporary, requires the development and modernization of curriculum, study processes and the overall management of all study programmes. Among other changes, qualitative cooperation with industry is essential, particularly, for providing internships as it is the most important element of the study process. All stakeholders will benefit from such fruitful cooperation – higher education institutions can therefore fulfill their mission of providing education meeting the requirements of the industry; industry enterprises can benefit from both professors’ and students’ intellectual capital, and students have the possibility of acquiring knowledge and skills needed for their employability thereby furthering the mission of higher education and the graduates themselves of the development of the industry and the society at large. As “the knowledge of tourism and tourism education has the opportunity to influence and change the phenomenon of tourism” (Salgado, & Costa, 2011: 147) the programme management has to use this opportunity for the benefit of all. So, the results of the current research contribute to it as well. The suggested model of internship management provides comprehensive view on organization, planning, as well as controlling of internships, thereby
ensuring mutually beneficial cooperation among HEI, company or organization and the student.

Limitations and future research directions

The present study was conducted analyzing one tourism study programme at one university. Although the research findings showed that the data may be generalized as to all graduates of the given study programme of Turiba University, they cannot be generalized as to other tourism curricula, with differing content, goals, objectives and learning outcomes. Another limitation lies in the fact that only quantitative approach was selected for the present stage of analysis. The results demonstrate trends which will be researched further and tested applying a qualitative approach which requires collection of additional qualitative data – stakeholders’ interviews.

REFERENCES


Self-evaluation report. (2013). Turiba University study programme Tourism and Hospitality Management, approved by the Senate of Faculty Council on 6 September 2013, Minutes No.4.


INVESTIGATING THE ROLE OF WINE FESTIVALS IN TOURISM

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Anikó Komáromi-Gergely
Zoltán Szabó
Szent István University, Hungary

ABSTRACT: Events play an important role in tourism. They help to increase the number of visitor and also help to extend the seasonal fluctuations. The subject of this paper is to analyze the wine festival held at the Terraces of the Buda Castle in Budapest to determine what kind of effect it has on the local, national and international tourism. Although there are several festivals and events, the selected attraction has many advantageous properties which make it the appropriate choice for the task. The wine festival is held every year over the last 23 years, thus there are plenty of data available to examine tendencies. It is one of Hungary’s most up to par cultural events. Over the last decade the festival has evolved to a multi topic event which means that although the wine is the mayor theme there are several other exhibitors such as craftsmen, artists and delicate foods. Data show that the festival is visited not only by the local citizen but people from all over the country are coming to the festival. Quarter of the 80000 visitors is from a foreign country which proves that the festival is an important part of Hungary’s tourism. Keywords: Wine festival, Tourism.

INTRODUCTION

There are only a few papers dealing with the topic of event marketing. Even the definition isn’t unified, Drengner et. al (2008) points out, that the studies investigating this refer to eventmarketing differently. Cornwell and Maignan (1998) considers both marketing of events and marketing with events as part of eventmarketing. Whereas others such as Sneath et al. (2006) only deals with self organized events and sponsored event. Gaur and Saggere (2001) includes exhibitions, festivals, fairs and also celebrations. Integrating these and other similar definitions any event could be considered as eventmarketing, which does not explain the need for the new concept. In order to create a useful meaning, the definition needs to be narrowed down, but the...
previous observations also need to be considered. Harsányi (2012) also done research in the topic and suggested a definition which is well suitable for the purpose. The proposed definition states, that eventmarketing is an unique own event or an organized presence on another event, which aims are to provide brandexperience, to deliver a message, to involve the target audience interactively, to influence the attitude towards the brand positively and in some cases to generate newsworthy information.

**Historical background**

The American authors date the formation of eventmarketing in the 1990’s (Odell 2004), which try to show that the conscious usage in marketing only evolved quite late. However this observation can easily be disproven with exact examples. In 1936 the car manufacturing company General Motors organized a road show called “Parade of Progress” it was a series of events. The show presented scientific exhibitions, to explain new technology (jet engine, television, microwave, radar, diesel-electronic power) and engineering miracles which help improving lives. “GM reasoned that a well done, non-commercial, entertaining, educational, free road show would do wonders to help put General Motors’s message across. It would bring GM, in person, to every small city and rural community in the nation.” (Bill, 1977). The Parade was paused during the Second World War but kept going until 1956. GM always wanted to use the most up to date technology, thus decided that (due to the spread of television people liked to sit at home and events were less popular), much more people can be reached through a TV program. When analyzing GM’s Parade it can be clearly seen that the definition of eventmarketing fits perfectly. It was organized by GM itself, the show was unique: twelve special “future liner” coaches were made, and the moving science show was not common either. The show brought the brand to great masses, as it was free, entertaining and did not want to talk people into buying anything, it changed the attitude towards a positive state. Most of the exhibitions were interactive. And it also carried the message that GM is the leading-edge if new technology. This example shows that eventmarketing was not developed over the last 20 years as it was present significantly earlier than the 1990’s. Only the theory was recently put behind the applied practice.

In his study Harsányi (2012) dealt with event marketing in details, and proposed models that may be used. Although the study investigates many aspects, it did not analyzed the relationship between tourism and eventmarketing. The year 2010 was announced the year of festivals in Hungary, the number of registered festivals reached
a total of 155 [1.]. Certainly not all festivals can be categorized under eventmarketing, but there are plenty to choose from. The wine festival held at the Terraces of the Buda Castle in Budapest is good starting point to reveal the connections and effect of tourism and eventmarketing.

Method

Analyzing an event that has been held over the last 23 years is not easy using primer information as it requires an observation lasting for several years. A more suitable option is to use secondary data to make new conclusions. Most of the data is collected by the organizer of the event, who in most cases only shares selected information to researchers. In this study most of the data is from festival databases were the organizer shared some valuable results. Earlier studied can only be used partly as in most cases they only concentrate on one certain year.

RESULTS

The wine festival in the Buda Castle, has great tradition in Hungary, it is held every September since 1991. Over the past 22 years it has evolved into one of the most prestigious, popular vocational and cultural event in Central Europe, where annually about fifty to sixty thousand visitors learn the art of cultural wine tasting and have the ability to meet the makers, the related traditions and handcrafts. (Szabó, Komáromi-Gergely, 2011).

The number of visitors attending on the festival varies over the years. This is not only the result of the economical conditions or the interest towards the event. Weather conditions also play an important role in the success of the festival as in case of the wine festival it is held at the uncovered park areas, thus unpleasant conditions develop in case off heavy rainfall and strong wind. By looking at the statistical data presented in Figure 1., it can be seen that the festival was steadily increasing popularity. In 2010 the number total number of visitors dropped below the 2007 values. Analyzing the data from a financial point of view 2010 was unsuccessful not only because of the low visitor number, but also there were more visitors present who did not pay for the entry than who did pay.

The organization was as high guilty as in 2009 there were over 200 hundred vintner present from 15 country, and the special guest was the Subcarpatioan region.[2.] Therefore cause of the visitor lost was neither due to a significant change in the organization nor
due to a change in the event program. As this festival has no alternative spot in case of bad weather, unpleasant climate conditions can scare away most of the potential visitors. According to the spokesman of the festival: László Ágnes-től this threat was known, but was not treated as a high risk factor. "Last year there were 60 thousand people present on the events, we expect a huge crowd this year also. We fear from the weather, but according to the feedbacks the wine festival in the Buda castle is the event which is visited by the people even when it’s raining. There were examples when out of the four festival days it rained on two, still a great number of visitors tasted the wines in the castle.”

![Figure 1. Number of visitors attending the wine festival in the Buda Castle](http://www.fesztivalregisztracio.hu)

*Source: http://www.fesztivalregisztracio.hu edited by Brix Á.*

The archive weather data [3.] show that out of the five festival days only the last closing one was dry and sunny, the rest of the days suffered from rain and damp, cold conditions. *Table 1.* shows the rain and sunshine data on the festival days. The presented values are not detailed enough to determine the amounts for the opening hours, it only provides information for a whole day (24 hours), however it can still be used to compare the results with each other. The rainwater amount is given in mm per day and the sunshine is given in hours per day.
Table 1. : Rain and Sunshine data.

<table>
<thead>
<tr>
<th>Date of wine festival</th>
<th>Rain (mm/day)</th>
<th>Sunshine (hours/day)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Day 1</td>
<td>Day 2</td>
</tr>
<tr>
<td>2007.09.5-9</td>
<td>5</td>
<td>1</td>
</tr>
<tr>
<td>2008.09.10-14</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>2009.09.9-13</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>2010.09.8-12</td>
<td>12</td>
<td>0</td>
</tr>
</tbody>
</table>

Source: http://old.eumet.hu/naprol-napra.html edited by Brix A.

Although Table 1. contains all the information needed it can still be improved by adding up the values for each festival. This way the total amount of Rain/Sunshine can be compared for all four festivals. These summed up results are shown in Figure 2. It is logical that the amount of rain and sunshine are in contrast, but the awaited result are visible when comparing the number of visitors with the amount of sunshine. The two tendencies seem to be corresponding to each other.

![Figure 2. : Cumulated Rain and Sunshine data for the wine festival in 2007 to 2010](http://old.eumet.hu/naprol-napra.html)

Source: http://old.eumet.hu/naprol-napra.html edited by Brix A.

This is only one study, therefore general conclusions with one hundred percent reliability cannot be made. Still in this case it is shown that the success of an open-air event highly depends on the weather conditions, which specially applies for sunshine hours and rain amount.
When organizing an event to boost tourism this factor cannot be neglected, as a festival or any other event that draws enough people, to influence tourism statistics requires large areas, thus indoor organization in most cases is not feasible.

The procedure to evolve a domestic event into a popular international requires more than just good luck. The first first wine festival wasn’t even held in the Buda castle, instead it opened its gates at the Vörösmarty square in the city center more than 20 years ago, to allow the few hundred uncertain inquisitive people to enter [4.]. The wine festival in the Buda castle over the last years has offered much more and wine drinking. By visiting, and observing the festival for the last 4 years I have made the following conclusions: It is an excellent opportunity for entertainment for the whole family. Besides the wide range of wine supply the gastronomical specialities are also present. For the kids there are several activities were they can make traditional handmade items or even have their face painted. To make sure everyone can occupy themselves, there are stages set up, where various presentations are show including storytelling, dancing, singing and more. There are also exhibitors representing handicrafts, which make the festival a complex cultural event. Since the 20th festival held in 2011 even free WIFI with internet connection is available for the visitors with smart phones, laptops or tablets.

When classifying the wine festival in the Buda castle the question can be asked: Is it just a festival or can it also be considered as event marketing? The definition described earlier stats that eventmarketing is an unique own event or an organized presence on another event, which aims are to provide brandexperience, to deliver a message, to involve the target audience interactively, to influence the attitude towards the brand positively and in some cases to generate newsworthy information. Considering this from the wine makers point of view they have organized their presence on an event organized by the Hungarian Grape and Wine Culture Non Governmental Organization. Each wine manufacturer has the opportunity to involve the visitors into an interactive brandexperience, by offering their products. Most exhibitors take the change to show their special limited wines, which are only available in special wine stores, this way the audience may position the brand more positively. Furthermore the festival is a good occasion for new and unknown brands to represent themselves as all exhibitors must use the same uniform stand. According to the mentioned observations the wine festival at the Buda castle is definitely belongs under event marketing.

To determine the effect the festival has on tourism we need to analyze the origin of the visitors. Those living in Budapest do not really add to tourism as they only attend on the festival then go home.
Those coming from the rest of Hungary increase domestic tourism, but according to a previous study (Szabó, Komáromi-Gergely, 2011), only 13% of the visitors are from out of town. The most important group that plays an important roll in tourism is the foreign visitors. In most cases they stay for a longer time and visit other touristic attractions in Budapest, thus for the town’s and Hungary’s tourism the aim is to increase the number of foreign visitors by attracting them with events such as the wine festival.

![Bar chart showing the rate of foreign visitors on the wine festival in the Buda castle.](http://www.fesztivalregisztracio.hu)

**Figure 3.: Rate of foreign visitors on the wine festival in the Buda castle.**

*Source: http://www.fesztivalregisztracio.hu edited by Brix Á.*

The rate and amount of foreign visitors are shown in Figure 3. and in Figure 4. It can be seen that the event is becoming more and more popular among the foreign visitors. In 2007 only 20% of the total visitors were from abroad. This values has increased to 25% in 2008 and in 2009, then in 2010 with a further 5% increase it reached 30%.

Examining the number of foreign visitors in the same period, slightly different results can be observed. In 2007 the total number for visitor coming from a different country was 8600. In 2008 this value almost doublet when reaching 15000. In 2009 the rate stayed on the same values as in 2008 see Figure 3., whereas the counted visitor number keep increasing to 17500 persons. In 2010 due to the bad weather conditions analyzed earlier, the number of foreign visitors dropped down to 12300 persons, which is lower than the 2008 valued. It can be seen that that the increasing rate doesn’t definitely means greater number
of visitors but certainly show that the event is becoming more and more international.

Out of the 155 festivals [1.], only a few reach to same or higher level as the wine festival in the Buda castle. What is the key to achieve the popularity and success? The first that is quite obvious is repetition. Evolution and notoriety requires some time. An event that is held only once does not have the opportunity to benefit from loyal returning visitors who would also convince others to come. But this is not all, a recent study (Sulyok, 2010) showed that the interest towards different festival themes is not the same. The largest interest is towards gastronomy (30.8%), which is followed by light music (18.6%) and at third position is the theme related to traditional values (17%). By adding up the percentages we can see that the first three theme gathers over 66% of all themes. Analyzing the wine festival all three elements are included its main theme is gastronomy and wine, but it also included traditional element and a great variety of musical production. The festival dates earlier than the study, thus the same conclusion can be made as with event marketing: In cases of events we can find an applied practice earlier than related studies.
SUMMARY

In this paper the history of eventmarketing was looked over and shown with an example that the origins date back to at least the 1930’s or even earlier, while researchers only started to deal with the topic in the 1990’s. Furthermore the wine festival at the Buda castle was analyzed from event marketing and tourism point of view. The festival is a good example of eventmarketing and how it can also be useful for tours. The results showed the number visitors highly depend on the weather conditions especially on the sunshine hours. The rate of foreign visitors has been increasing over the last years, which is increasing tourism and show that good marketing tools are used. The festival includes the three most popular theme element which gastronomy, light music and traditional element.

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TOURISM AND MEDICAL SERVICES: THE CASE OF ELECTIVE MEDICAL TOURISM IN NORTHERN GREECE

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ABSTRACT: The present paper deals with the medical tourism and the medical services and their contribution to the tourism development. Firstly it presents a theoretical approach to the definition and types of medical and health tourism and secondly the characteristics of medical tourism market and services. Worldwide the market size is USD 24-40 billion, based on approximately eight million cross-border patients worldwide spending an average of USD 3,000-5,000 per visit, including all medically-related costs, cross-border and local transport, inpatient stay and accommodations (Patientsbeyondborders, 2013). One of the main reasons for medical tourism growth globally, is the price variance for medical services, among the healthcare systems and the private providers. In Greece, the Medical tourism market is still limited and is generated primarily by domestic tourism visitors of SPA or by exceptional events (e.g. cares of war victims from Libya). The exception is the hospitalization and health care of holiday tourists in Greece who are facing a health problem or an accident. The paper investigates the current situation and the perspectives for providing medical services at health units in the geographic area of Thessaloniki and Chalkidiki in Northern Greece. This area concentrates a large number of hotels and other tourist facilities but also large hospital units. The results are based on a survey by CEO’s of the major Hospitals establishments in the area. The paper ends with the conclusions about the perspective of the development of medical tourism in Thessaloniki and Chalkidiki and suggested ways, in order to achieve the requested result. Keywords: Health tourism, Medical tourism, Elective medical tourism, Greece, Chalkidiki, Thessaloniki

INTRODUCTION

The World Health Organization defines the term health as the following: “Health is a state of complete physical, mental and social well-being and not merely the absence of disease or infirmity.” (Rulle, 2008, p. 29-30). In modern times diseases associated with modern lifestyle, such as heart...
problems, anxiety or depression, which degrade the overall level of health, are frequent occurrences (Rodriguez-Garcia, 2001). “Our health systems face tough and complex challenges, in part derived from new pressures, such as ageing populations, growing prevalence of chronic illnesses, and intensive use of expensive yet vital health technologies” (Frenk, 2004).

Health and tourism are two concepts that at first glance seem irrelevant, though related in many different levels. Improving health can serve as an incentive for traveling (Mathieson & Wall, 1982). So, the level of health services in the country of destination may be a part of the tourist product and even contribute to its upgrading or downgrading. Regarding the correlation between health and Tourism, the health can affects tourism through the health of tourists but through the health conditions in the tourism destinations. This means that visitors can either carry a disease from the country of origin to country of destination or vice versa. Also it may concern the change in the number of incoming tourists due to adverse health conditions in the country of destination and finally tourism can be influenced by health tourism, which can increase the incoming tourism.

In an earlier research (Cossar et. Al, 1990), conducted in 13,813 travelers found that 36% became ill in some way during the holiday, while 14% needed medical help and 1% was hospitalized. Dawood (1989), reports that 50% of international tourists are likely to have an impact on their health from the trip. From his research, he finds out that accidents kill 25 times more tourists than contagious diseases. Hunter-Jones (2003), believes that tourism correlates positively with health, creating positive effects on mental health (e.g. religious holidays), on psychological health (elimination of stress). Specifically he refers to the advantages of tourism for those get sick and he stresses that holidays can bring back the joy of life, hope, raise a person’s morale and increase physical and intellectual activity. All of the above combined with accommodation at specialized centers for patients and health care, are evidence of the development of health tourism.

Medical tourism

The Medical tourism is relatively a newer form of tourism, developed from the need to find low-cost medical services and treatments globally. The medical tourism represents a special form of health tourism. The Health tourism constitutes “The entirety of relations and appearances that arise from the change of locality and stay of persons for enhancement, stabilization and possible Revitalization of physical, mental or social well-being by use of health services, whereas the place of the service is neither the main nor permanent place of residence or work.” (Kaspar, C. 1996, p. 56). A common and special form of health tourism is the wellness tourism. “Wellness
tourism can be regarded as a subcategory of health tourism” (Müller and Lanz, 1998). In 1961, the American doctor Halbert Dunn created the word wellness out of well-being and fitness, as specified in his publication on the subject of high-level wellness. He was the first who described the situation of a high level of well-being including body and soul. (Vivien Breitrück & Elena Nunn, 2011:61). Wellness tourism can be defined as “the sum of all the relationships and phenomena resulting from a journey and residence by people whose main motive is to preserve or promote their health” (Mueller & Lanz Kaufmann, 2001). In this context, it is important to make a distinction between wellness tourists who are usually healthy and want to maintain or promote this state and cure guests whose prime motive is recovery and to heal their illness (Mueller & Lanz Kaufmann, 2001).

The Medical Tourism or Patient Tourism (Rulle, M., 2010), or Clinic Tourism (Barth, R. & Werner C., 2005), or Global healthcare, is a term that was originally made by travel agencies and the mass media to describe the rapidly growing practice of traveling worldwide, to have healthcare. Medical Tourism is a direct result of Globalization of Healthcare; the industry is coming up in vigorous speed. This emerging industry is set to boom because of several factors which are not defined or observed clearly. Medical Tourism could be defined as “The Medical Tourism is the set of activities in which a person travels often long distance or across the border, to avail medical services with direct or indirect engagement in leisure, business or other purposes” (Jagyasi, 2009). Medical tourism is distinguished from health tourism by virtue of the differences with regard to the types of intervention (Bio-Medicine / Complimentary medicine), setting (Hospital – Clinic / Non-Medical Facilities) and inputs (Medicament and medical devices / Others). Carrera & Lunt (2010).

“Summarizing both parts, health and medical tourism are two categories with different motives for travelling. While health tourism promotes the well-being of body and soul by offering relaxation and spa treatments, medical tourism offers body attractiveness, health and vitality through operations. Apart from this, what they have in common is the focus on a better quality of life and as a result an extended life expectancy, and the consciousness of the own body.” (Vivien Breitrück & Elena Nunn, 2011:65)

In the Greek bibliography the Health Tourism is divided in health tourism – healthy living and thermal-therapeutical tourism. The first form takes place in health tourism centers (health resorts) and emphasizes in the overall improvement of health and physical fitness, while the second form takes place in spa (spa resorts) and consists in the provision of specialized medical services for rehabilitation of existing problems (Andriotos, 2000). Spathi (2000) follows the same categorization and includes health products in the concept of health tourism, which are natural products, made by traditional way with natural and herbal ingredients. Finally, according to the study commissioned by the
hotel Chamber of Greece and scripted by the Institute for Social and Preventive Medicine (Doxiadis et al. 2012), the term “medical tourism” indicates two types of services:

A. The medical assistance for travelers’ who are in a foreign country on holiday or on business trip, or for temporary residence. It includes health emergencies (e.g. heart attack) or regular health care needed for chronic diseases (e.g. kidney dialysis).

B. The elective medical tourism, where the patient chooses to travel in order to take a specific medical service, motivated by factors such as (a) the cost of services, (b) the quality of services and overall healthcare, (c) the long waiting time in the country of origin to receive similar medical services and (d) the opportunity to combine medical care with journey and entertainment.

Concerning the first type of services, “the medical assistance for travelers”, the most significant groups of patients suffering from chronic diseases is renal patients, cancer patients, heart patients, People with Hematological diseases, elderly people who require systematic monitoring of medicine and pharmacy. As for the “elective medical tourism”, nowadays the most widespread services are cosmetic surgery, dentistry, ophthalmological treatment, artificial insemination, cardiac surgery, orthopedic-therapy and rehabilitation, cancer treatment, and organ transplants. This paper looks into exactly this form of medical tourism, in particular the elective medical tourism.

The International market of medical Tourism

According to the Mc Kinsey & Company (2014) “Healthcare is now the world’s largest industry — with a value and cost three times greater than the banking sector.” As the review of patient mobility in Europe4Patients noted, a lack of data around mobility in general is compounded in relation to information about the commercial sector (Rosenmöller M., et al 2006). The Editors of Patients Beyond Borders (published in the USA) “…believe the market size is USD 24-40 billion, based on approximately eight million cross-border patients worldwide spending an average of USD 3,000-5,000 per visit, including all medically-related costs, cross-border and local transport, inpatient stay and accommodations. We estimate some 900,000 Americans will travel outside the US for medical care this year (2013).” Patientsbeyondborders (2013).

“Youngman for his part stakes his claim at 5 million, based on the lowest estimates of official figures from providing countries (Treatment Abroad. (2009), Youngman, 2009), though there is no way to assess the accuracy of this figure”. (Lunt, N. 2011:15). This number does not include travelers in wellness, spa destinations or those who travel for diagnostic – preventative checks. America was the destination for about six hundred thousand
patients-tourists, while respectively Europe was visited by 1.75 million and Asia by 2.25 million patients-tourists. Almost every country participating in market share shows a significant increase in its performance.

According to Grail Research (2009) the most popular destinations for medical tourism are Thailand (with 1.54 mil. patients in 2007), India (with 0.45 mil. patients in 2007), Singapore (with 0.41 mil. patients in 2006) and Malaysia (with 0.29 mil. patients in 2006). The most popular treatments are cosmetic surgery, dentistry, eye surgery, cardiology/cardiac surgery, orthopedic surgery, organ, cell and tissue transplantation. On the other side of the Atlantic, the Editors of Patients Beyond Borders’ report that the top destinations are: Brazil, Costa Rica, India, Korea, Malaysia, Mexico, Singapore, Taiwan, Thailand, Turkey, United States and the worldwide medical tourism market is growing at a rate of 15-25%, with rates highest in North, Southeast and South Asia.

In the TreatmentAbroad (2012) research 1,045 respondents took part. 55% of respondents were from the UK. For all patients in the survey from all countries, Hungary was the leading destination (12% of respondents), followed by Belgium (11%). Poland, Turkey, Spain, the Czech Republic and India were the destination for around 7% of patients each. About 42% of the UK patients in the study went abroad for cosmetic surgery, 32% for dental treatment, 9% for obesity surgery, and 4% for both infertility treatment and orthopedic surgery. 84% would go back to the same doctor, dentist or clinic. 51% of respondents travelled to a country they had never been to before for their treatment. The cost was cited by 83% of participants as the most important reason for travelling abroad for treatment. Dental patients also cited the ability to combine treatment with a holiday while cosmetic surgery patients cited worries about hospital infection in the UK. Orthopedic, infertility and obesity surgery patients all cited the ability to avoid waiting lists at home. 71% said they had saved more than £2,000 by travelling overseas. 12.7% said they had saved more than £10,000 by going abroad for treatment.

It is apparent that the range of treatments available overseas for prospective medical tourists are wide, including Cosmetic surgery (breast, face, liposuction), Dentistry (cosmetic and reconstruction), Cardiology/cardiac surgery (by-pass, valve replacement), Orthopedic surgery (hip replacement, resurfacing, knee replacement, joint surgery), Bariatric surgery (gastric by-pass, gastric banding), Fertility/reproductive system (IVF, gender reassignment), Organ, cell and tissue transplantation (organ transplantation; stem cell), Eye surgery, Diagnostics and check-ups (Lunt, N. 2011:11).

It’s considered by many researches that the figures about the medical tourism volume are not exact. The review from Lunta, N & Carre-rab, P. (2010) about Medical Tourism has suggested major gaps exist
in the evidence base supporting medical tourist research such the patient/consumer profile of those seeking surgery abroad, what shapes decision-making for European patients, what types of information are used etc. On the other side, such numbers are important to quantify economic impact and also to assess potential risk to source health systems. Clarification is required around the sources and surveys used to provide numbers, including the role of national agencies and private facilities in providing numbers. (Lunt, N. 2011:15)

Today, each patient can find through niche websites detailed price lists with the main treatments, including transport and travel, flights, car rental, travel insurance, all medical expenses etc. For the patient-tourist this summary of prices removes any uncertainty regarding the total amount of the cost involved and ensures the possibility to have access to any chosen services.

PRESENTATION OF THE RESEARCH AREA IN NORTHERN GREECE

In Greece until recently health tourism has not been sufficiently developed. The only form showing relative growth is the SPA tourism, while lately Thalassotherapy presents growth trends (Didaskalou, 2000). Greece can become a remarkable health tourism destination, thanks to its stable, mild, temperate climate, which favors both holidays, as well as health improvement. Combined with its natural beauty and rich cultural and historical tradition, Greece can be an important health tourism destination (Andriotis, 2000).

In the 2nd Greek Medical & Health Tourism Workshop held in Moscow in October 2013 the interest of the Russian tourism professionals for the medical tourism in Greece was intense. Indeed, as pointed out, the Russian side clinched the first contracts with Greek private clinics, while the Russians have shown particular interest in the thermal Spa and wellness centers of Greece. During the workshop, more than 792 business meetings took place, while tour operators, as well as 21 representatives of the leading Russian insurance companies were present (Greek Travel Pages, 2013).

The objective of the present paper is the medical tourism in Thessaloniki and Chalkidiki in northern Greece. Thessaloniki is the second largest urban center in Greece, following Athens with approximately eight hundred thousand citizens (according to the census of 2011) and concentrates a large number of Hospital and health facilities. Chalkidiki is located 60 km from Thessaloniki and is a popular tourist destination, not only for the Greeks, but also for foreign tourists. According to the data of the Hellenic Chamber of Hotels (2013), it was found
that in the area there are 35 five star hotels located with a capacity of 11,688 beds, 13 hotels of which are established in Thessaloniki and 22 in Chalkidiki. Also there are 60 four star hotels, with a capacity of 12,749 beds, 20 hotels of which are located in Thessaloniki. Finally, there are 130 three star hotels with 15,182 beds capacity, 41 of which are located in Thessaloniki.

There were about 1,379,590 arrivals from abroad at the airport of Thessaloniki, which serves Chalkidiki as well in the year 2013 (Hellenic Civil Aviation Authority, 2014). The main arrivals were from Germany (34.5%), Russia (15.1%), Cyprus (10.7%), Italy (9.4%) and United Kingdom (7.9%). Based on the statistical Data of the Hotel Association of Thessaloniki, for the period January-August 2013, about 51.4% of night spends held by the Greeks. The first place of foreign visitors is taken by the visitors from Russia with 5.1%, the second place is for the Cypriots with 4.4%, the third place for the visitors from Turkey with 3.9%, the fourth place for the visitors from Israel by 3.5% and the fifth place for the Italians with 3.0%. A remarkable fact is that in the year 2012 the first place among the foreigner’s night spends in hotels of Thessaloniki goes to the visitors from Libya with 12.7%. In particular, war victims from Libya who were in Greece for medical treatment, along with their helpers, recorded in the year 2012 a total of 146,937 nights spends (Thessaloniki Hotels Association, 2014).

According to the president of the Hotel Association of Thessaloniki, “the provision of healthcare for injured Libyans is the result of successful agreements and generates significant economic benefits” and he points out that “following the right strategy, Thessaloniki could well be turned into powerful Balkan Medical Center and an ideal tourist destination center for Medical services” (Christoforidou, S. 2012).

The overall establishment of health services in the area is highly developed in both private and public sector. The health services offered by the State are divided into three levels:

- Primary care, which is provided by the hospital and ambulant clinics, health center of insurance institutions, health centers and regional clinics and private clinics and diagnostic centers and consists in overcoming temporary and emergency incidents and transportation of patients.
- The secondary care provided by general hospitals and private clinics.
- The tertiary care which covers the first two categories and additional services for research, education and training, as well as highly specialized medical operations.

Health services are provided by both public (hospitals, health centers, regional health center, insurance organizations), as well as by private entities (clinics, diagnostic centers, health centers). In accordance
with the Ministerial decision FEK 2831/τ.Β’/14-12-11 public hospitals of Thessaloniki and Chalkidiki are nine (9) General Hospitals, with a capacity of 3880 beds, four (4) Special Hospitals with a capacity of 1000 beds and one (1) General Military Hospital.

According to the official website of the Medical Association of Thessaloniki (http://www.isth.gr/) the number of private clinics in Thessaloniki is nineteen (19). Within each of these Hospitals and clinics operate 13 Dialysis Units and there are 5 additional private clinics for Chronic Dialysis which are established in the area. In the Health-care establishments of the region must be added:

- 12 Rehabilitation Centers (of privat sector)
- 5 In vitro fertilization (IVF) Treatments Centers (of privat sector).
- 4 Centers for Counselling and Treatment of addicts persons (Privet and Public sector)
- 1 Counselling Center for teens and Young people
- 1 Unit Of Physical Detoxification
- 2 Adult Residential Treatment Programs.
- 5 Adult Outpatient Treatment Programs.
- 2 Therapeutic Detoxification programs for teens and Young people

OBJECT AND RESULTS OF THE PRIMARY RESEARCH

The main purpose of the research was to explore the potential development of medical tourism in the region of Thessaloniki and Chalkidiki. In particular, the research aimed to identify:

- If and how the health units (Hospitals and Clinics) operate in medical tourism.
- To collect informations regarding the characteristics of medical tourism.
- To evaluate the Health Facilities, the Treatments, the Medical personnel and the health services.
- To assess the cost of medical services.
- To indicate the measures and conditions for the development of medical tourism.
- To suggest actions for the promotion of medical tourism.

For the purpose of the research, it was considered appropriate the research to be held among CEOs of Health units (Hospital and Clinics), who could respond to specialized research queries. In particular, the survey has been conducted among the following health care professionals in Thessaloniki and Chalkidiki area:
1. CEOs or General Directors of health unit groups
2. Directors of public hospitals.
3. Privet clinic managers.

The survey was conducted in the spring of 2013 through personal interviews and using a structured questionnaire. According to the results of the primary research many hospitals have developed the Elective medical tourism, while others provide medical treatment for tourists. In fact, some health units have developed both forms of medical services. In particular the 72.7% of CEO’s, said that they have offered treatment to patients from other countries that came for this purpose. An 81.8% of executives said that they have treated patients from other countries who were in Greece for another purpose (tourism) and that these health services represent 1% of turnover. In addition, the medical Tourism assessment accounts for 1% to 5% of turnover for hospitals. It should however be noted, that there was a particular private hospital in Thessaloniki, in which the year 2012 the medical tourism (due to patients from Libya) represented 40% of its turnover.

The main nationalities who receive health services in Greece are Englishmen, Germans, Scandinavians, Americans, French, Italians and Poles, Czechs, Libyans, Balkans and Russians. Demographically, the patients belong to high and middle class, but also are economic migrants. To the question “through which distribution channel do you receive tourists-patients in hospital?” the CEO of the public sector answered mainly unsystematically and randomly, while private sector executives replied that their patients come through physicians Associates, hotels, tour operators, facilitators and the Libyan Embassy.

The evaluation of the medical staff in the region of Thessaloniki-Chalkidiki, (in scale, 5 for Excellent, 4 for Very Good, 3 for Good, 2 for Average and 1 for Poor) recorded an average of 4.1. In particular the 18.2% of respondents assessed the medical staff as excellent, 72.7% as very good and 9.1% as good. A very important fact is no CEO considers that physicians are mediocre or bad.

The assessment of medical treatments in a scale of 1 to 100, where “100” represented Pioneering treatments and “0” Outdated, showed an average of 77.3%, a result that is acceptable, but can be improved and can easily, through some investments, lead to a higher level.

All respondents (100%) responded positively to the question whether the existing health infrastructure (clinics, hospitals) can attract prospective tourists – patients to region, for the existing treatments of health tourism.

To the question “What, in particular treatments can attract foreign patients”, the respondents referred to in vitro fertilization (I.V.F.), hemodialysis (M.T.N.), specialized surgeries, invasive surgery, ophthalmology, cos-
metic surgery and dental treatment, secondary transplants, rehabilitation robotics, cardiological and rehabilitation services.

The managers believe that the establishments for the medical tourism development needed are thalassotherapy, (25.76%), physical medicine and rehabilitation centers (18.18%), providing specialized medical services centers (18.18%), centers for geriatric services (13.64%), larger hotel complexes (9.09%), psychiatric clinics and detox clinics (9.09%) and other private clinics (6.06%).

To the question "Which of the following treatments should be offered or supported in health units in the region of Thessaloniki-Chalkidiki", the responses were as follows: Physical Medicine & Rehabilitation (24.24%), Cosmetic surgery 24.24%, Thalassotherapy-Spas (19.70%), Nefrological – Hemodialysis (13.64%), Eye Surgery (10.61%), Orthopedic (4.55%) and Detox (3.02%).

The executives believe the cost of private health services at health units in the region, are on average 54.5% (at the same level as the other health tourism destinations), with a slight tendency towards the expensive (27.3%) while 18.2% considers that cost low, compared to other tourism destinations.

With regard to the cost of medical treatments, the executives are divided in their opinions on whether the cost of the medical services offered in the region is the most determining factor for the choice of destination for medical tourism. In particular 45.5% of CEO disagree, 36.4% agree, while 18.1% were neutral in their point of view. However, investigation concludes the private sector executives give a special emphasis on cost, as a determining factor in the choice.

Summing up the results of primary research indicate that health tourism in the study area is small and that the health benefits for tourists in the region do not exceed 5% of turnover. Staff assessment is particularly high with a 4.1 out of 5 rating, while the infrastructure assessment is satisfactory (77.3 index out of 100), which indicates that there is opportunity for improvement.

The services that should be strengthened are in the area of rehabilitation, cosmetic surgery and thalassotherapy-Spa, while services that can be offered to attract medical tourist are in vitro fertilization (IVF), Hemodialysis (M.T.N.), invasive surgery etc. The cost of treatments in private hospitals is considered to be a bit higher comparing to other health tourism destinations. However, the majority of respondents did not consider that cost is the main factor for the choice of destination for medical tourism.
PROPOSALS

All indications resulting from the findings suggest that the necessary potentials for the development of medical tourism in the region of Thessaloniki-Chalkidiki exist. In order to make this development, it is required to take actions on the key axes which are described below.

Aggressive pricing policy

An Aggressive policy is common practice during placement of a new product or when placing existing product into a new market. Therefore, an aggressive pricing policy should be chosen. This aggressive pricing policy concerns not only health units but also hotels which would have to offer all-inclusive packages. The General conditions are encouraging for a pricing of this type, because of the rapid reduction of labor costs in Greece, but also due to the reduction of the salary of health professionals over the last three crisis years. In addition, this cost reduction can be combined with creating attractive packages with hotels, outside the peak tourist season.

Healthcare Accreditation

The health units of the region must proceed to Accreditation by international organizations, because no Hospital in the area is certified. With the completion of the accreditation process and in combination with the aggressive pricing policy and the tourist attractiveness of the region, favorable conditions can be created for the development of medical tourism in the region.

Promotion of the Medical Tourism opportunities in Thessaloniki – Chalkidiki

Creating a picture of Medical tourism in the region, with a view of local Medical facilities abroad, through the Internet, media, Trade Fairs, etc. is necessary. This can be achieved through the participation in all tourist fairs with emphasis in medical tourism, the creation of websites with the aim of highlighting the city and the region in general, with reference to the provision of medical services, and specialized information about the offered medical services, treatments, facilities and cost.

Infrastructure - Establishments

As found by the survey, the existing medical infrastructure is considered satisfactory and able to attract patients-tourists. However the infrastructure can be strengthened in:
• Thalassotherapy Centers in hotels, and perhaps in some rehabilitation centers.
• Additional centers for physical medicine and rehabilitation, of which there are many modern ones in the area, are not necessary. However, it may be necessary to strengthen such departments in the private clinics.
• Creation of clinical departments providing specialized medical services, such as in vitro fertilization, Ophthalmology etc.
• Geriatric services, centers that are not specialized in the area. These should be modern and have the ability to support the elderly foreigners, who wish to spend some time in Greece and have the corresponding medical and nursing support.
• New private clinics are not needed. However, the modernization and the Accreditation of the clinics are required.

Medical treatments

Strengthening of specialized medical services to attract medical tourist in the treatments of cosmetic surgery, physical Medicine and rehabilitation, Dialysis and Nephrology is essential. The development of medical tourism can be achieved through successful collaborations between Health Units of high standards with luxury Hotel facilities. The co-operating parties should jointly contribute to the competitive profile and international projection of medical tourism packages offered. Synergies and collaboration between medical and tourism services should include, in addition to the basic medical operations and hospitalization of the patient that is exclusive competence of the Health Unit, the following Rehabilitation after the medical treatment, flight services, transfers, and additional services for guests and escorts, excursions etc.

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