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The CHTP Journal serves primarily as a platform for the presentation of an author's, or team of author's, original research results in the above-mentioned fields. A "Consultation and discussion" section contains survey papers and also specialized survey papers from the pedagogical and expert activities of academics, as well as reports on research project results.

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SCIENTIFIC PAPERS

Stanislava Belešová, Jana Kalabisová, Josef Vlček, Petr Studnička

DIRTY MONEY AS A PART OF LEGAL ECONOMY?

***Abstract:** The paper deals with the existence of so-called shadow economy in the hospitality industry – in hospitality and catering service businesses. The authors focus on the activities of shadow economy in relationship between business and state and in employment contracts. We present the results of survey between 74 respondents – managers of hospitality companies. We analyze the occurrence of the activity, the average income generated by the activity. We were interested in the opinion of respondents about the ethics of using such practices.*

***Key words:** hospitality industry, shadow economy, unofficial economy, untaxed income*

***JEL Classification:** O17, L83*

Introduction

The phenomenon of shadow economy is not new economic field. In hospitality industry, especially in the Czech Republic, it is still quite unmapped land. The theoretical background for the article is based on the foreign sources because only Fassmann (2007), Zelinka (1991), Czech statistic bureau tried to estimate the level of shadow economy in Czech Republic. Some commercial researches as from Visa (Kearney & Schneider, 2015), or MasterCard (EYGM, 2015) or academics as Schneider (2012), Kaufmann, Johnson, Schleifer (1997) studied shadow economy as macroeconomic problem of whole economy. The analysis of incidence of shadow economy in hospitality industry is still unique. Authors tried to capture the forms of shadow activities focused on hospitality businesses in Czech Republic.

In the Czech Republic, the economic activities of people, companies, as well as institutions, are based on statistical criterion classified as official (registered, captured) and unofficial (unregistered in official statistics as System of national accounts). The cause is the existence of dual economic structure consisting of so-called official and unofficial sector. The official sector is normally understood as the lawful economy, while unofficial

(informal) sector is considered as so called informal economy. On the statistic criterion is unofficial sector not registered, taxed and regulated. This classification is essentially artificial, because the economy of each state always functions as a whole. The border between the official and shadow activities can be moved, depending on the criteria used. Parting line forms a statistical criterion that allows distinguishing registered (visible) and unregistered (hidden) economic effects in official statistics is used. The second indicator is a measure of legality, which highlights the consistency of economic activities with the law. The decision on the classification of economic phenomena is not often derived from the nature of the phenomenon itself but from its implementation from its methods of accounting, etc.

It is a difficult theoretical problem to define the shadow economy. The authors emphasize the legal aspects of economic activity and come out of the fact that the shadow economy is a complex and multifaceted phenomenon, which is part of the reproductive process of the whole society. The reproduction process captures the whole economic cycle. It is a complex of never-ending (revolving) process of production – distribution – exchange – consumption of produced output. Shadow economy participates in each stage of the process. It could be possible to measure the level of shadow economy in each stages which could bring new attitude of shadow economy assessment. The existence of shadow economy is a manifestation of non-compliance with legal norms and social rules within the framework of economic activities (Vlček et al., 2016). The outcome of the informal economy is a redistribution of income (revenue) among the population, entrepreneurs and the state (Goliáš, 2013). Fassmann (2007, p. 25) characterizes the informal (shadow) economy “as those revenues, respectively activities, whose the most fundamental interest is to remain hidden (at least before the authorities of the state repressive apparatus), as well as informal activities or transactions that do not include payments which are designed to save purchases and finally those activities that ultimately lead to the official income but the source itself, or rather the way of its acquisition is inconsistent with applicable legal rules, regulations and agreements.” The shadow economy based on Schneider (2012) and Schneider & Williams (2013) includes “all market-based legal production of goods and services that are deliberately concealed from public authorities for the reasons as to avoid payment of income, value added or other taxes, to avoid payment of social security contributions, to avoid having to meet certain legal labour market standards, such as minimum wages, maximum working hours, safety standards, etc., and to avoid complying with certain administrative obligations, such as completing statistical questionnaires or other administrative forms.”

Its size (range) can be measured with the aid of monetary value of informal production for a certain period of time. In essence, a macroeconomic indicator is involved, which corresponds to the character of the aggregate gross national income. In this context, the statistical criterion is used.

Complex of the shadow economy is defined by so-called elements, i.e. the shadow activities, transactions, payments and receipts, which can be implemented in both the formal and informal sectors. Often there is a blending of these elements between the two sectors.¹ Assembly constituted by these elements and by the links between them is regarded as the shadow economy. Shadow economy is usually divided into “black” and “gray”². Both of them are considered to be illegal in general. The criterion of legality helps to distinguish the edge between grey and black economy when grey economy is at the edge of legality, it break the laws concerning about statistic evidence, tax avoidance, business activities without permission etc. Black economy is considered as criminal activity – drugs dealing, murders, prostitution etc.

The volume of gray economy in the Czech Republic was estimated at 15.4 % of GDP in 2014 (approximately 600 billion CZK, Petr, 2014, p. 14) and 15.1 % in 2015 and is comparable with the EU-28. Approximately 2/3 of the gray economy is attributed to work “under-the-counter” and 1/3 to the undeclared income. The European average share of gray economy is estimated at 18 % in 2015 (Kearney, Schneider, 2015).

Revenues generated in the informal economy are called for “dirty money”. Their beneficiaries are those forced to legalize illegally obtained money, i.e. “launder”. These machinations concern not only cash but also non-cash money. The bodies of these illegal activities are not only entrepreneurs and managers but also other employees and, unfortunately, sometimes even government officials. Not only the customer and the state (for example, tax evasion) is being robbed but often also an entrepreneur and company employees.

The article deals with the shadow economy in the area of hospitality and catering services. (in terms of official statistical classification CZ-NACE it corresponds to the activities number 55 and 56). Unrecognized income in this national industry is estimated at 20 billion CZK (Tománek, Lidové noviny, 3 June 2015, p. 2). Shadow economy activities had reached such a level that the Czech Government would introduce the system of electronic records of sales. The initial cost of building an IT system are estimated in the amount of approx. CZK 370 mil and the cost of operating and managing IT system by the state in the amount of about 170 mil. CZK annually. Electronic records of sales should significantly and positively affect the revenue side of the state budget in the form of increased tax

¹ For example, legally manufactured product can be sold on the “black” market, eventually production of the informal sector can be realized in official transactions of a legal firm.

² Grey economy includes a summary of economic activities which are not illegal directly by their content but violate common ethical and moral principles of society, are on the edge of the law or just behind it. They can be approximately quantified and are elusive because bribes, illegal work, untaxed income etc. are involved. Activities within the black economy fundamentally violate the laws of the country - in terms of counterfeiting, tax evasion, drug dealing, prostitution, gambling, organized crime and others. These activities are generally carried out by non-registered economic entities; their level is very difficult and imprecise to be estimated (Vlček, at al., 2016; Kearny & Schneider, 2016; Žák, 2002).

receipts amounting to CZK 12.5 bn. CZK. (Final Report of Regulatory Impact Assessment RIA - draft law on the registration of sales, 2015).

Concealment and lawlessness of shadow activities distort the nature of social life, creating a chaotic economic environment and governmental and private entities make decisions based on unrealistic information. In this context, there is an interest in estimation and measurement of the informal economy. Their methodological starting point is the definition of the shadow economy. The authors assume the existence of the essential elements of the shadow economy in accommodation, catering and hospitality segments. The authors agree with the concept of the phenomenon of the shadow economy, which states M. Fassmann.

Material and methods

The aim of the paper is to assess the level of average revenues from chosen shadow activities in hospitality businesses and to analyze the opinion of hospitality managers on efficiency of measures reducing informal economy activities. It was assumed that shadow economy activities occur mostly in small businesses. Given that hotels, gastronomy and hospitality are normally considered together as one industry. To estimate the level of shadow economy, the direct survey – the structured questionnaires, was used. Aware of the disadvantages of this method, authors decided to analyze the opinion of hospitality professionals (managers and business owners) as an important source. It was assumed that the hospitality and catering professionals have deep insight into the context of shadow activities and their opinion is valuable for the research. It was assumed that workers in the field have a deeper insight into the context of shadow activities and their opinions then could be considered as a valuable source of information. The aim of pre-test was to confirm all empirically captured forms of shadow activities and to estimate the upper border of the shadow economy.

To delimitate the shadow activities the focus group of hospitality and catering experts (4) and academics (4) was organized. The shadow activities were specified and divided into 5 areas – when employee stints the business, when employee stints the customer, when business stints the customer, when business stints the state and labour relationship activities. To support the results of focus group, the structured interview with 40 hospitality professionals was made.

In cooperation with sociologist from ChU Prague, the structured sociological questionnaire was made. Its aim was to confirm all empirically captured forms of shadow activities and to estimate the upper level of the shadow economy. At the beginning of the questionnaire the respondents are introduced to the topic then the characteristic of business follows,

respondents lately assume the occurrence and level of shadow economy in businesses with same size and type as theirs. Respondents stated their opinion about shadow economy regulation in the country and at the end the respondent characteristic was traced. To collect the sensitive information is difficult. That is why the sociologists were asked to participate on questionnaire construction. To reduce the misunderstanding of research and to increase the return rate and reliability of research, the questionnaires were distributed personally. Face-to-face interviews with trained researchers were used.

In May 2014 the pre-test of questionnaires on the sample of 100 respondents was passed. The pre-test respondents were external students of Hospitality institute in Prague, managing hospitality businesses in Czech Republic, mostly in Prague. Due to incomplete information, some questionnaires were eliminated in the final set of 74 questionnaires. A survey was attended by the managers and the owners of accommodation and hospitality establishments, and their expert opinions in the informal economy were investigated. Because the researched was stopped for one year, the results were processed only at the end of 2015.

The specific problem of this sociological research is the probability of respondents' involvement in the shadow economy. Therefore some questions were uncomfortable for respondents and caused the danger that the answers may be distorted or null. To avoid this research problem, the anonymity of respondents was ensured and questions formulation gave the impression of conventionality and normality of shadow activities. The questionnaire was designed as a collection of expert opinions and the respondent had the opportunity to present his opinion about other people's behaviour, respectively in "what he heard" style. The risk of dishonest replies and declining answers to sensitive questions was delimited but still exists.

For the purposes of this article, only partial results are selected, which will cover the characteristics of the respondents, their opinion on measures that could restrict the activities of the informal economy and their assessment of the success of the fight with the activities of the informal economy. Generally, this article also focuses on the shadow economy activities taking place between the government and the enterprise and the activities related to employment.

Results

Respondents

The first figure refers to the various category of businesses in which our respondents work:

1. Restaurant (restaurant, inn, self-service restaurant, canteen, fast food);
2. Bar (bar, nightclub, pub, wine bar, cafe);
3. Hotel type accommodation (hotel, motel, hotel);

4. Guest house;
5. Other collective accommodation establishment (tourist hostel, camp site, cottage settlement and others);
6. Individual accommodation establishment (private accommodation, respectively accommodation establishments with less than 5 rooms or fewer than 10 beds).

The most frequent research category is the hotel type accommodation (46 %) and restaurants (32 %). Together they represent 78 % of all respondents. 16 % of respondents belong to the category of bar type. Category other collective accommodation establishments and individual accommodation is represented by one interviewee. Two participants did not disclose the company category.

The most frequent category is four-star category (47 %), followed by a three-star category (24 %) and five-star category (18 %). Together they represent 89 % of accommodation establishments. Two respondents did not class the accommodation.

The last figure is related to the size of the accommodation facilities. Table 1 shows the respondents according to the respective categories:

Table 1: Accommodation Size

| <i>Category</i> | <i>Frequency</i> |
|--------------------------------|------------------|
| Micro (1–9 employees) | 23 |
| Small (10–19 employees) | 16 |
| Middle (20–100 employees) | 18 |
| Large (101 and more employees) | 16 |
| Not specified | 1 |

Source: Own elaboration, 2016.

All categories are represented relatively evenly. Most of them belong to the micro enterprises (31 %), followed by secondary (18 %), and followed by small and large (both 16 %). One respondent did not specify the size of the company.

The opinion of respondents on the level of shadow economy activities

According to respondents, the most common shadow activity is distortion of invoices of organized events by replacing the taxable items (as catering). Taxable items are hidden, included into rental costs of venue. Respondents claim that this activity occurs in 50 % of accommodation and catering facilities. The second most common activity, based on responses, is usage of cash and accounting systems which can be manipulated. It covers especially the secondary cancellation of accounting entries to cut the total revenues and VAT (value added tax). This activity appears in 48.4 % of accommodation and catering facilities. The third most typical activity was an erasion of printed consumers´ bills from

cash system after the working hours (existence of two parallel systems) to cut the total revenues and VAT. This activity occurs in 42.5 % of hospitality businesses.

The highest assumed monthly revenues in the hospitality shadow economy are generated by pretended business activities with the aim of laundering the money and making them regular. Average monthly revenues from this activity are 378,333 CZK, it occurs in around 30 % of hospitality companies. The mode – or the most often mentioned level of average monthly revenues, was 100,000 CZK. The second phenomenon with the highest average monthly revenues was manipulation of cash and accounting systems to cut the total revenues and VAT. The owner can cancel the accounting entries to lower the official income. This activity can bring 365,621 CZK shadow revenues to the business. To print the consumers’ bills which could be rewritten at the end of day to cut the total revenues and VAT could according to respondents generate the average monthly revenues as 350,295 CZK. The fourth highest level of monthly revenues could be generated by so called “black accommodation”. In this shadow activity the guests are not officially registered in hotel books therefore official occupancy level, revenues, VAT and local taxes are shortened. Based on the respondents, such phenomenon can generate income of 122,052 CZK, mode is 15,000 CZK. The level of revenues from shadow economy activities could not be generalized. So the results are presented in tables 2 and 3 to express the estimated level of shadow economy in different kind and size of enterprises.

According to the respondents, the most common reason (mode) of occurrence of shadow economy in hospitality companies is thievery. Even though, the opinion of respondents varied in the purpose of using shadow activities in hospitality. Manipulation with cash register systems, cancellation and cuts of income, manipulation with accounting systems during event planning, when the taxable items are included in rental costs, such activities are considered as a habit then thievery or fraud. On the other hand – to put the private expenses of the owner’s household on the account of a company is also regarded more as a habit than as a thievery. By the majority of respondents, to pretend the business activity with the aim of laundering the money is considered as pure fraud.

Table 2: Assessment of Average Monthly Revenues from Chosen Activities in CZK, the Categories of Hospitality Companies where Activities Occur

| Activity | | Restaurant | Bar | Hotel facility | Guest house | Other CAE |
|--|-------|------------|-----------|----------------|-------------|-----------|
| Cancellation of printed consumers’ bills from cash system | Quota | 53 | 49 | 35 | 30 | 15 |
| | Rev. | 92,154 | 132,143 | 630,714 | 10,000 | 10,000 |
| Shorten the revenues by manipulation with cash and accounting systems | Quota | 45 | 60 | 48 | 90 | 15 |
| | Rev. | 68,750 | 96,000 | 677,667 | - | 5,000 |
| Private expenses of the owner’s household are accounted as business expenses | Quota | 48 | 49 | 36 | 40 | 0 |
| | Rev. | 13,273 | 10,600 | 62,900 | 5,000 | 0 |

| | | | | | | |
|---|--------------|-----------|-----------|----------------|-----------|--------|
| <i>Pretend the business activity with the aim of laundering the money</i> | <i>Quota</i> | 36 | 53 | 24 | 15 | 0 |
| | <i>Rev.</i> | 65,714 | 120,000 | 600,000 | - | 0 |
| <i>Fictive increase of fix and variable costs in consumption</i> | <i>Quota</i> | 30 | 30 | 22 | 10 | 0 |
| | <i>Rev.</i> | 15,667 | 37,500 | 84,632 | - | 0 |
| <i>Fake travel expenses</i> | <i>Quota</i> | 27 | 51 | 38 | 20 | 50 |
| | <i>Rev.</i> | 13,667 | 10,000 | 68,231 | - | 20,000 |
| <i>Sale the goods outside the official cash system</i> | <i>Quota</i> | 36 | 46 | 32 | 30 | 10 |
| | <i>Rev.</i> | 26,667 | 45,000 | 164,000 | 1,500 | 7,000 |
| <i>Taxable items are included into venue rental costs</i> | <i>Quota</i> | 52 | 58 | 49 | 80 | 5 |
| | <i>Rev.</i> | 14,571 | 31,667 | 178,938 | - | 20,000 |
| <i>Accommodation outside the official hotel evidence</i> | <i>Quota</i> | - | - | 22 | 40 | 0 |
| | <i>Rev.</i> | - | - | 160,857 | - | 0 |

Explanation: CAE – collective accommodation establishment, Quota – Percentage quota of companies where activity occurs in %, Rev. – Average monthly revenues from the activity in CZK, “-“ activity does not occur

Source: Own research, 2014.

When we divide the companies based on category (Table 2), it is obvious that the highest revenues from shadow activities are in hotel facilities. Higher percentage of shadow economy activities occurs in catering facilities. Based on the estimation of respondents, more than 50 % of catering facilities cancel the consumers’ bills from the cash system at the end of working day; they also include taxable items into the venue rental costs.

Table 3: Assessment of Average Monthly Revenues from Chosen Activities in CZK and the Size of Hospitality Companies where Activities Occur

| <i>Activity</i> | | <i>Micro</i> | <i>Small</i> | <i>Middle</i> | <i>Big</i> |
|---|--------------|--------------|--------------|------------------|----------------|
| <i>Erasing printed the consumers’ bills later from cash system</i> | <i>Quota</i> | 46 | 49 | 44 | 20 |
| | <i>Rev.</i> | 43,867 | 176,250 | 1,325,556 | 87,143 |
| <i>Shorten the revenues by manipulation with cash and accounting systems</i> | <i>Quota</i> | 55 | 57 | 51 | 19 |
| | <i>Rev.</i> | 45,545 | 124,273 | 1,554,286 | 40,000 |
| <i>Private expenses of the owner’s household are accounted as business expenses</i> | <i>Quota</i> | 48 | 40 | 39 | 30 |
| | <i>Rev.</i> | 14,385 | 18,000 | 65,500 | 87,500 |
| <i>Pretend the business activity with the aim of laundering the money</i> | <i>Quota</i> | 38 | 31 | 28 | 20 |
| | <i>Rev.</i> | 120,000 | 344,000 | 272,000 | 737,143 |
| <i>Fictive increase of fix and variable costs in consumption</i> | <i>Quota</i> | 32 | 23 | 23 | 21 |
| | <i>Rev.</i> | 18,636 | 5,167 | 167,500 | 33,333 |

| | | | | | |
|---|--------------|-----------|-----------|----------------|----------------|
| <i>Fictive travel expenses</i> | <i>Quota</i> | 38 | 40 | 32 | 27 |
| | <i>Rev.</i> | 32,000 | 18,400 | 30,000 | 78,571 |
| <i>Sale the goods outside the official cash system</i> | <i>Quota</i> | 38 | 37 | 33 | 30 |
| | <i>Rev.</i> | 20,962 | 50,000 | 221,429 | 121,250 |
| <i>Taxable items are included into venue rental costs</i> | <i>Quota</i> | 49 | 58 | 57 | 35 |
| | <i>Rev.</i> | 32,000 | 22,286 | 18,500 | 364,286 |
| <i>Accommodation outside the official hotel evidence</i> | <i>Quota</i> | 37 | 31 | 32 | 15 |
| | <i>Rev.</i> | 16,250 | 19,750 | 321,250 | 127,143 |

Explanation: Quota – Percentage quota of companies where activity occurs in %, Rev. – Average monthly revenues from the activity in CZK, “-“ activity does not occur

Source: Own research, 2014.

Even if the highest revenues from shadow economy activities flow to the middle and big size enterprises (Table 3), these activities are used mostly by the micro and small enterprises. Only small part of big business uses the shadow economy activities.

According to the respondents, the shadow economy activities occur mostly in mid-size bars and small and mid-size accommodation facilities. According to respondents around 90 % of mid-size bars and 90 % of micro guest houses shorten the revenues by manipulation with cash and accounting systems. 70 % of mid-size bars, 56 % of micro restaurants and 50 % of micro size hotels account private expenses of owner’s household as business expenses. Based on the research – up to 60 % of mid-size bars pretend the business activity with the aim of money laundering. It is assumed that 60 % of micro-sized hotels and 60 % of mid-sized bars account fictive travel expenses. Up to 80 % of micro hotels and guest houses and 90 % of mid-sized restaurants includes taxable items into venue rental costs.

Table 4: Assessment of Average Monthly Revenues from Labour Relations Activities in CZK and Categories of Hospitality Companies where the Activities Occur

| <i>Activity</i> | | <i>Restaurant</i> | <i>Bar</i> | <i>Hotel facility</i> | <i>Guest house</i> | <i>Other CAE</i> |
|--|--------------|-------------------|------------|-----------------------|--------------------|------------------|
| <i>Officially minimum wage, rest of wage is unofficial</i> | <i>Quota</i> | 73 | 88 | 53 | 50 | 90 |
| | <i>Rev.</i> | 146,700 | 35,667 | 173,000 | 12,000 | 120,000 |
| <i>Hiring for „probational period“ without the wage, employee is not admitted later on</i> | <i>Quota</i> | 41 | 26 | 34 | 20 | 50 |
| | <i>Rev.</i> | 14,550 | 3,750 | 107,059 | | 10,000 |
| <i>Hiring employees for probational period repeatedly</i> | <i>Quota</i> | 36 | 29 | 33 | | 30 |
| | <i>Rev.</i> | 21,636 | 10,000 | 31,684 | | 50,000 |
| <i>Employment of agency workers</i> | <i>Quota</i> | 27 | 21 | 34 | 20 | 10 |
| | <i>Rev.</i> | 33,000 | 2,500 | 74,286 | 5,000 | 20,000 |

| | | | | | | |
|---|--------------|-----------|-----------|---------------|--|----------------|
| <i>Employment of sole traders</i> | <i>Quota</i> | 30 | 32 | 29 | | 10 |
| | <i>Rev.</i> | 13,667 | 22,000 | 34,765 | | 2,000 |
| <i>Employment based on performance contract</i> | <i>Quota</i> | 43 | 43 | 43 | | 40 |
| | <i>Rev.</i> | 36,600 | 39,000 | 54,533 | | 60,000 |
| <i>Illicit work without evidence</i> | <i>Quota</i> | 38 | 38 | 30 | | 80 |
| | <i>Rev.</i> | 40,778 | 41,500 | 43,438 | | 100,000 |

Explanation: CAE – collective accommodation establishment, Quota – Percentage quota of companies where activity occurs in %, Rev. – Average monthly revenues from the activity in CZK, “-“ activity does not occur

Source: Own research, 2014.

According to respondents, up to 90 % of other collective accommodation establishments and 100 % of small bars, 97 % of small restaurants and 76 % of small hotel facilities pay part of employee wages officially. The rest of it is unofficial payment out of salary system. They do not pay the health, social insurance from unofficial salaries therefore they shorten the state income. On the other hand, employee is shortened too because based on the low official salary, for example he cannot inquiry for a bank loan, it will affects the retirement annuity, sickness benefits etc.

Respondents estimate that up to 55 % of small bars and restaurants and 62 % of small hotel facilities hire the applicants for a job just for “probational period”, without a salary. They will not hire the applicant later on. The employee works a week for free and than he is not hired. The system is favorable for employer but disadvantageous for state and job applicant.

The favorite shadow economy activity is hiring agency workers. Company (50 % of small hotel facilities, 38 % of midsize hotel facilities and around 40 % of small bars) sign a contract with an agency, not with an employee. Hotel pays the fixed fee for agency services, it doesn't fund contribution. Agency takes commission; it pays fund contribution and income taxes for employees. Agency pays lower salary to employee than he could possibly earn on full-time employment contract.

To hire employees based on trade license is, based on respondents' estimation, activity used by all business categories – from small catering facilities to mid-size hotel facilities (46 % of micro restaurants, 45 % micro bars, 42 % of mid-size hotels). Company hires the sole trader for some specific services; at the end of the month company settles the contracted invoice instead of the salary payment. Sole trader than pays the fund contribution on his own, income tax and he manage his own accounting. Company has lower expenses; the pure income of sole trader could be higher than the revenues in the case that he is full-time employee (sole trader pays lower funds contribution). On the other hand sole trader has no entitlement to paid holidays, he is entitled to sickness benefit since 15th day of sickness but

sickness benefits are low. Sole trader guarantee for his liabilities by his entire property, the access to loan is more difficult for him.

Employment based on performance contract is favorable for employer because if the monthly employee's income in one company does not overcome 10,000 CZK, than employer neither employee doesn't need to pay for health or social insurance and income tax. This activity, based on respondents' assessment, is used by 60 % of micro restaurants, 48 % of micro bars, 60 % of small hotels.

Illicit work without evidence is an activity at the edge of shadow and black economy. Employer officially does not register an employee, employee is officially unemployed. Employer does not pay any funds contribution; employee does not pay the income tax. The insurance is paid by state or by employee himself (voluntarily unemployed). Shortened subject is state and also employee who reduces his potential retirement benefits, he cannot inquiry for bank loan etc. According to respondents, activity is used by 50 % of micro restaurants, 45 % of small bars, 62 % of small hotel facilities, and 80 % of other collective accommodation establishments. Employment based on performance contract and illicit works are two most common activities of shadow economy in accommodation and catering businesses in the field of labor relations.

Respondents' opinions on measures to reduce the incidence of shadow economy

Table 5 shows the frequency of responses concerning the opinions on measures to reduce the occurrence of phenomena of the shadow economy. As a precaution, which the respondents equally perceived according to the questionnaire as effective, is less tax burden – 51 % of respondents said they would definitely reduce the incidence of shadow economy in the sector. The measures, which according to the highest frequency of answers could rather reduce the incidence of informal economy, include:

- Lower cost pressure – 49 %
- Less price competition – 46 %
- Other moral principles of people in this field of business – 43 %
- Electronic records of sales – 38 %

Conversely, as measures that would, according to the highest response rate, rather not prevented the occurrence of the informal economy, are stated the enlargement of the business entity (35 %) and reducing regulation (31 %).

Table 5: Measures to Reduce the Incidence of Informal Economy

| | <i>Response rate</i> | | | | |
|---|-----------------------|-------------------|-------------------|-----------------------|----------------|
| | <i>Definitely yes</i> | <i>Rather yes</i> | <i>Rather not</i> | <i>Definitely not</i> | <i>Unknown</i> |
| <i>Less price competition</i> | 8 | 34 | 25 | 4 | 3 |
| <i>Lower pressure to cost reduction</i> | 12 | 36 | 19 | 4 | 3 |
| <i>Lower tax burden</i> | 38 | 21 | 9 | 2 | 4 |
| <i>A reduction in regulation (sheets, hygiene standards, mandatory inspections, etc.)</i> | 20 | 20 | 23 | 8 | 3 |
| <i>Enlarging the business entity and thereby increase revenues</i> | 14 | 23 | 26 | 5 | 6 |
| <i>Other moral principles of people doing business in this area</i> | 26 | 32 | 10 | 1 | 5 |
| <i>Electronic records of sales</i> | 15 | 28 | 18 | 10 | 3 |

Source: Own elaboration, 2016.

Respondents' opinions on the performance of individual operators to limit the phenomena of the shadow economy

It is interesting that according to the largest response rate (Table 6) respondents perceive all offered actors such as those that are rather unsuccessful in limiting the effects of the shadow economy, namely:

- Business owners – 45 %
- Czech Trade Inspection – 53 %
- Other government authorities (Tax Office, Employment Office, Labour Safety Inspectorate, Hygiene Station, the Czech Agriculture and Food Inspection Authority etc.) – 51 %
- Professional and business organizations (Czech Confederation of Commerce and Tourism, Czech Association of Hotels and Restaurants...) – 39 %

Those who are perceived as the least effective in combating the informal economy and do not try to do anything with this activity, are business owners (18 %) and professional and business organizations (9 %). Who, by contrast, appear to be the most successful actors in combating the shadow economy according to the respondents, are the Czech Trade Inspection (35 %), followed by professional and trade organizations (34 %), other government agencies (30 %) and the business owners (28 %) – sum of answers “very successful” and “rather successful”.

Table 6: Actors Reducing the Incidence of Shadow Economy

| | Very successful | Rather successful | Rather unsuccessful | Completely unsuccessful | No interest in reducing shadow economy | Not stated |
|---|-----------------|-------------------|---------------------|-------------------------|--|------------|
| <i>Business owners</i> | 3 | 18 | 33 | 6 | 13 | 1 |
| <i>the Czech trade inspection</i> | 1 | 25 | 39 | 6 | 1 | 2 |
| <i>Other government authorities</i> | 2 | 20 | 38 | 8 | 4 | 2 |
| <i>Professional and trade union organizations</i> | 2 | 23 | 29 | 11 | 7 | 2 |

Source: Own elaboration, 2016.

Discussion

Shadow economy activities are quite challenging for tourism industry, especially for lodging and catering businesses. In last decades the pressure from government bodies to reduce and regulate such activities has been growing. Electronic record of company sales is just one example of such effort. With the help of electronic record the state wants to prevent such activities as manipulation with accounting and cash systems, money laundering, the sales outside the taxation system etc. Since 2015 state registers and controls the employment based on performance contract. If an employee earns more than 10,000 CZK in month from one employer, he should pay the health and social insurance and income tax. Until 2014 each contract had been counted individually and income from one contract shouldn't overcome 10,000 CZK. The revenues from one employee had been possibly divided between several performance contracts. Since 2015 monthly revenues from one employer are counted all together.

The shadow economy activities are problem of the whole hospitality industry, of businesses of all categories and sizes. The Czech Republic government decided to struggle with it. The steps as electronic record of sales, obligatory electronic cash register, changes in tax burdens can partially reduce the occurrence of shadow activities. But they cannot solve it completely. According to respondents, the state and professional organizations fail in the reduction of shadow economy. The precise controls combined with the prevention tools and changes in the mind of businessmen are the only moves that can reduce the shadow economy.

According to CZ-NACE system, the sum of non registered revenues and overestimated costs in Czech Republic are highest in building industry (56.7 bill. CZK), wholesale and retail trade (45.3 bill. CZK), manufacturing industry (28.8 bill. CZK) and hospitality and catering industry (22.5 bill. CZK). It is the latest available estimation of Czech statistic bureau for the year 2012. Based on the research of Ministry of finance of CR, the VAT yield in catering industry should be calculated as 11 bill. CZK based on revised national accounts. But according to the data from ADIS, the real catering industry VAT yield was 1.6 bill. CZK. Statistically estimated, it indicates the potential tax avoidance as 9.4 bill. CZK (Final report about evaluation of impact of regulation RIA – the draft bill about sales registration).

Electronic record of sales will affect around 8.9 thousands of active businesses in hospitality industry and 51.5 thousands of active businesses in catering industry. In final phase, electronic record of sales in Czech Republic could affect 500–600 thousands of business units. The Ministry of Finance of CR assumes that the overall macroeconomic impact of electronic record of sales on the price level will be low and impact on level of unemployment will not be significant.

Because in catering facilities, there is assumed the highest relative occurrence of non-registered revenues, it was suggested to lower the VAT tariff to soften the negative impact of sales record. On restaurant services, excluded sales of alcohol beverages, it was suggested to adapt 15% VAT tariff instead of present 21%. This step also eliminates the current disproportions in this kind of service when the tax payers could demand on tax reduction of 15 % and they pay 21 %. It is considered to apply also a single-shot special income tax reduction as 5,000 CZK as some form of compensation for the smallest businesses for purchasing necessary electronic devices. Lower VAT tariff in catering field will reduce the tax revenues in 0.5 bill. CZK compared to current status. Application of tax reduction will have negative impact as 1 bill. CZK. In the catering industry it is expected the increase of revenues in 27 %, compared to current status, that represents 16.1 bill. CZK. The supplementary VAT revenues from catering industry could be 0.8 bill. CZK.

Conclusion

The aim of the paper was to assess the level of average revenues from chosen shadow activities in hospitality businesses and to analyze the opinion of hospitality managers on efficiency of measures reducing informal economy activities. The assumptions that shadow economy activities occur mostly in small businesses was confirmed because based on respondents such activities occur mostly in micro and small catering businesses. Highest revenues from the chosen shadow activities are generated by big hotel facilities, but they occur mostly in micro and small bar and restaurant establishments. The most common shadow activities according to respondents are rewriting and manipulation with accounting

and cash systems which generates the highest revenues. Other commonly used activities are money laundering and paying minimum wages officially, rest unofficial which occur in every type and size of businesses. The actors fighting shadow economy are generally considered as rather unsuccessful. As the possibly efficient measures to reduce shadow economy, the lower tax burden, electronic records of sales and changes in moral principles in society were marked.

To reduce the level of shadow economy in the lodging and catering industry, the system of electronic record of sales in Czech Republic was created. The application of this system has two basic aims, to reduce shadow economy, to increase efficiency of taxation system (especially income tax and VAT) and to narrow the business environment in Czech economy when the straight businessmen in various industries are not able to compete to those who avoid the tax payments.

The government draft bill about electronic record of sales was accepted by the Chamber of Deputies and Parliament of Czech republic, was signed by president of state and was published as an act No. 112/2016 about sales record in the Collection of laws. In conclusion, the bill No. 113/2016 had passed to change some laws connected with the act about record of sales (lower VAT rate, discount from income tax, application of administrative charge). The act about the record of sales came into power on 13. April 2016. First businesses obliged to record the sales (CZ-NACE 55 Accommodation, CZ-NACE 56 Catering and food service) will start to use it since the first day of eighth month after the act has been published in Collection, it is on 1st December 2016. Some parts of the Act came into power since first day of fifth calendar month after the Act has been published, that is on 1st September 2016. Especially the paragraph concerning sales in simplified regime, sales excluded from the record and technical requirements on businessmen came into power.

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SIGHTS OF CULTURAL HERITAGE IN THE REGION OF KARVINÁ

***Abstract:** Cultural tourism is a very popular and sought-after form of tourism. It generates a significant contribution to the national economy as a separate branch and it is also inseparable part of other forms of tourism. The objective of this paper is to analyse how often are some of the cultural-historical sites in the district of Karviná visited. The selected historical sights represent a cross-section of cultural heritage in the region of Karviná. The aim is to identify their importance in the field of cultural tourism in the region. The conclusion is based on the information gathered through primary research and comparison with results of a survey of visitors to traditional cultural and historical monuments of the Czech Republic.*

***Key words:** cultural tourism, historical monuments in Karviná region, tourist attendance, traditional cultural heritage*

***JEL Classification:** Z32, M21, R120*

Introduction

Cultural wealth is an essential part of tourism. It belongs to the largest asset of most countries, regions, cities and municipalities. History can be perceived in the places where we live, which we visit and where we pass through. At every step, we touch the past, whether in the form of historical monuments, natural attractions or in the way of living of local residents.

Cultural tourism is a very popular and sought-after form of tourism. It generates significant income to the national economy as an integral part of the tourism industry. Culture is among the most important areas of social life. In accordance with the definition of UNESCO (Netková, 2000), culture is “a set of distinctive spiritual, material, intellectual and emotional features that characterize a society or social group; which - along with art and letters - includes ways of life, value systems, traditions and beliefs”.

Tourism effects positively popular tourist destination in various aspects such as creation of new jobs, capital inflows, the overall competitiveness of the destination, or the preservation of local traditions and folklore.

Research of the social and economic benefits of cultural tourism has a specific importance for the society. One of the performance indicators of culture is an attendance of the sights and buildings of cultural heritage. The paper examines tourist attendance of selected cultural historical buildings in the district of Karviná. It collects and analyses the data from available sources to determine the importance of these buildings for development of tourism in the area. There were selected three objects that represent a sample of the cultural heritage in the region. At these sights the visitors can make a sightseeing tour with explanation of history of Karviná referring to the period in which these objects were build and which purpose they fulfilled at the time. A survey of these selected sites focused on identifying traffic, structure and number of visitors, time factor in the season and the opportunity to visit. The method of trend analysis of tourist arrivals, method of description and method of deduction are used in this paper.

Material and methods

Cultural tourism

The World Tourism Organization UNWTO (Vitáková, 2007) defines cultural tourism as a “movement of persons primarily because of cultural reasons such as study tours, artistic performances, cultural tours, travel to festivals and other events, visiting monuments and sites, the path for exploring nature, folklore, art and pilgrimages”.

According to Zelenka and Pásková (2002) cultural-cognitive tourism is focused mainly on history, culture, traditions, the ways of living, religion and customs. This type of tourism is very diverse with significant educational subtext and contributes to the expansion of cultural and social perspective of the population.

It is one of the basic forms of tourism, which is associated with exploring the cultural heritage and the way of living of residents in a visited destination. It may take the form of visiting museums, galleries, exhibitions, cultural and historical monuments, archaeological sites, music and film festivals, social, folkloric and religious events. It requires a willingness to learn something new and combines elements of education with entertainment. It contributes to the improvement of social, cultural and professional level of people. There is often a blending with other forms of tourism, especially spa, recreation, health and congress tourism (Studnička, 2010).

According to Mirvald (1996), a participant of cultural tourism aims to induce experience and knowledge of the works of art, monuments and collections, architecture, cultural traditions and ethnographic interest (folklore, costumes, customs, architecture) and cultural events (exhibitions, celebrations or festivals). The target is to gain new information and experiences to satisfy the cultural needs (Vaníček, Rux, 2010).

Cultural tourism is divided on so-called art tourism that focuses on learning about art and contemporary cultural expressions and heritage tourism which is oriented to historical monuments and cultural heritage (Kadlec, Svoboda, 2007).

According to Kesner (2005), a product of cultural tourism is not only knowledge of the landscape, human settlements, monuments, landmarks. The nature of the product is the overall experience which is gained by the visitor. In this sense the product is formed through the interaction of the visitor and cultural resources in the area. It also includes recognition of ways of life and traditions of the community in the area. We can define cultural tourism as a travelling concentrated on the experiences of cultural backgrounds, including the landscapes, visual and performative arts, lifestyles, values, traditions and events. Broader definition of the concept of cultural tourism is based rather on satisfied cultural needs of the travellers than on the definition of its objectives.

An integral part of these cultural sites is an accompanying programs, souvenirs, books, educational programs inside the historical buildings, museums, theme parks and other cultural destinations offering various forms of active spectacles and activities for participants. These are the options which lead to personal involvement in the activities and transform the viewer into a participant. They can evoke various forms of physical and sensory immersion in the simulated environment (Kesner, 2013).

It is right when cultural destinations, depending on their specific profile and possibilities, offer such experiences. The aim is not to create and provide an unified experience, but to transform the area into an area that offers each visitor the opportunity for a personal and active creation of valuable experiences (Kesner, 2005).

The sphere of cultural tourism is an important subset of tourism. It contains mainly tourism in urban areas, especially historical ones, getting familiar with their architecture, cultural monuments and visiting facilities such as museums, theatres, etc. It may also include tourism in rural areas, where tourists get acquainted with the cultural traditions of indigenous communities (for example festivals, rituals), people's lifestyles in these geographic areas, history of peoples, their art, religion and other elements that shape their ways of life, their values and lifestyles. This form of tourism is popular around the world and cultural tourism can play an important role in the development of different regions of the world (Richards, 2006). It gives an opportunity for business activities for travel agencies, for owners and operators of cultural objects and self-government (municipalities, counties, regions) and brings a positive multiplying effect.

International Cultural Tourism Charter (created in 1999 under the auspices of ICOMOS) helps to regulate the direction of the management of tourism in places of important cultural heritage. It defines the relationship between tourism and cultural diversity of places, tourism and intercultural dialogue and tourism and regional development. Organizations

and states which signed this charter are committed to fight against poverty in tourist destinations, protect the environment and encourage mutual cultural respect (National Heritage Institute, 2007).

Traditional monuments in the Czech Republic and their attendance

Culture has a close relation to social and political events. Individual phenomenal forms of culture, for example: the ways of living, customs and traditions or creative activities of people, museums, galleries and historic buildings fall into a category of traditional arts, which means a non-industrial sector of a culture. A production and a need of this sector are inseparable from designated places or buildings.

The heritage fund of the Czech Republic is dominated by immovable monuments and their urban and landscape complex. The monuments include not only the "classic" ruins, castles, religious monuments, but also urban and rural conservation zones and open-air museums, archaeological sites, deserted villages, technical monuments, lignite, military etc. The richness of historical monuments and cultural landscapes is traditional in the Czech Republic and the extent of their disclosure is one of the largest in Europe (Table 1).

Particular category of national cultural heritage forms the most important part of the cultural wealth of the country and is subject to stricter protection than other cultural heritage. The Ministry of Culture declares cultural heritage and the government declares national cultural heritage. There are 306 items in the file for national cultural heritage.

An autonomous territorial entities (counties and municipalities) and state establish the predominant number of museums in the Czech Republic. There are more than three-quarters (78 %) of them. Less than a quarter (22 %) of the museums is founded by the private sector, charitable trusts, civic associations, churches and other bodies. Employment in the sector of culture in the Czech Republic makes up to 1.7 % (Eurostat, 2011).

According to NIPOS (2015) the number of castles, palaces and other monuments accessible for admission and the number of exhibitions increased by 16.4 % between years 2000 and 2013. This increase is connected with the correction of property relations and the development of market economy. There has been a change in usage of the buildings, they were gradually restored and used in the cultural field.

Attendance of cultural sites and the number of visits is a natural indicator of the demand for these buildings. The level of attendance is affected in the long-term by growth in living standards, increasing mobility, the amount of leisure time and also by education. Free time and education also influence the interest in active exploring of the cultural heritage. In the short term they are affected by: macroeconomic cycles, seasonal factors, especially the weather. These interrelations may be trivial (rainy summer increases the attendance of historical buildings), but also surprising (eg. in times of increased unemployment grows attendance in cinemas and other entertainment facilities).

Table 1: Development the Number of the Historical Heritage Objects and their Visiting Attendance (from 1995 to 2014)

| <i>Year/Index</i> | <i>1995</i> | <i>2000</i> | <i>2005</i> | <i>2010</i> | <i>2012</i> | <i>2013</i> | <i>2014</i> | <i>2014/1995</i> | <i>2014/2010</i> | <i>2014/2013</i> |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|------------------|------------------|------------------|
| <i>Number of the museums, galleries and historical objects</i> | 333 | 440 | 457 | 477 | 502 | 512 | 490 | 1.47 | 1.03 | 0.96 |
| <i>Number of the expositions</i> | 3,912 | 4,777 | 5,420 | 5,675 | 6,014 | 6,076 | 6,071 | 1.55 | 1.07 | 1,00 |
| <i>Number of the visitors in thousands</i> | 8,915 | 9,323 | 9,132 | 9,308 | 9,577 | 10,490 | 11,580 | 1.30 | 1.24 | 1.10 |
| <i>Number of the visitors on 1 thousand of the residents</i> | 863 | 908 | 892 | 884 | 911 | 998 | 1,100 | 1.28 | 1.24 | 1.10 |

Source: NIPOS, 2015

Every year all the historical buildings try to enhance the traffic by opening new guided tours, organizing night tours, opening up some sights during winter season, etc. The attendance of the historical sites is reflected not only by attractiveness of the sites, but also by organizing accompanying cultural events at the sites. Increasing popularity of the events such as European culture days, white nights of museum and churches etc. and increasing interest in the historical buildings reflect the increase in the society activities. If we see the attendance of the sites as an indicator of a success then we understand that monuments are part of a specific competition for a visitor. It is obvious that the attendance of museums and monuments represents the most essential part of the culture (Šebek, 2014).

It is possible to observe a fluctuation in the attendance which is significantly associated with the economic situation of the country.

From the 80's there is obvious significant trend of the development of quantity of visits of the historical sites in the Czech Republic. After 1990 there was a short-term fall – similar fall affected theatres and other cultural facilities also. A decrease the number of the sites which are available for an admission is related to the closing due to technical reasons. After year 1990 the decrease is connected mainly with changes of ownership of the properties. From 1996 number of the visitors began to grow significantly and the growth stopped between years 1996-1997 and also between years 2008-2009 due to an economic recession, rising entrance fees, price increase in transportation, etc. Over the last 15 years the highest growth of number of visits at the historical sites of the Czech Republic occurred in years 2011 and 2014.

The exception seems to be the premises of ecclesial character (eg. Cathedral of St. Peter and Paul in Brno had 13,000 visitors in 2007 and 317,000 in 2010). The biggest decrease was scored in an attendance of open-air museums – but it is an insignificant group. The trend varies more in the most popular attractions with the highest attendance (over 100,000 per year, with a significant proportion of foreigners), and it reflects the sensitivity to high prices and fluctuations in the number of foreigners.

Noticeable is the decline in traditional destinations such as the big castles (drop to 1/3 at the Castle Kozel near Pilsen, drop to 1/2 at castles Nelahozeves, Hrubá Skála, Duchcov Losiny etc.). On the contrary new or reconstructed buildings attract more and more visitors: private castle Dětenice near Jičín (increase to 121 %, ie. 167,000 visitors), Castle park Průhonice (153 %, ie. 230,000 visitors), Cathedral St. Peter and Paulin Brno, Silesian Ostravian Castlein Ostrava (330 % ie. 174,000 visitors), Castle Loučeň near the Nymburk (roughly doubling traffic to 104,000 visitors). The development of “small” sights varies due to low attendance (NIPOS, 2015).

The level of visitor's attendance is not effected by a layout of the sights in the area. Accumulation of the monuments (conversion to 1 km²) and presence of famous monuments influence potential for tourism in the area and has a share in the attendance.

Traditional culture in the Czech Republic and economic relations to its premises

Economy and culture are two domains of social life and often they do not develop consistently. Management of some cultural institutions is not primarily regulated by financial considerations and is not based on the market economy.

The collected statistical data of the Czech Republic (NIPOS, 2014) in the period from 2000 to 2007 show increased offer of provided traditional culture (monuments, museums, libraries, theatres) and increased demand for visits. Indicators on both sides of the offer and the demand have increased in the period from 2008 to 2013.

Traditional art was affected during the financial crisis by lowering public expenditure on culture, and – to a lesser extent – by a reduction of foreign funds. Nevertheless their offer did not lessen thanks to persistent demand from the people. Households did not cut down their consumption of cultural goods and the public interest in cultural services of this kind did not decrease. It turns out that (even in years of crisis) the demand for goods and services in the field of traditional art is not flexible, particularly downwards.

Total expenditure of organizations grew in relation to stable or slightly increasing range of services of the institutions for traditional arts in the Czech Republic. Lack of funds is reflected in the field of investments: Capital expenditures decreased by more than 30 % (NIPOS, 2015). Decrease in the volume of capital expenditure meant that cultural sector was under-funded. The field of traditional art depends on public funds. Public expenses into the field of traditional art were reduced in the years 200 – 2013 (by 7.5 %). Incomes from the most important financial source - corporations and non-profit institutions - declined roughly by 10 %.

The buildings of traditional cultural heritage increase steadily their offer of services (number of buildings, exhibitions and expositions). The demand stagnates after the initial increase.

The average paid admission to monuments, museums and theatres increased by 50 % between years 2007 and 2012. The admission grew the most in the cases of sites whose traffic significantly decreased in a given period (NIPOS, 2014).

Results

Attendance of chosen cultural historical sights in the region of Karvina

In the 2013 the total attendance of historical sites in the Czech Republic amounted to 10.5 million visitors and made a record in 20 years. In 2014 the attendance increased by more than 1 million visitors compared to 2013 to a total of over 11.5 million visitors. This result was not affected by a higher number of exhibitions or expositions. It is a consequence of the increasing interest of public to spend leisure time in this way and of increasing quality of accompanying programs. The development of number of monuments is growing in the reference to the attendance in the period 1995-2014.

Over the past 15 years the total area of the exhibitions in museums slightly expanded and a range of facilities with wheelchair access increased (56 % of the total exhibition area. It is important for travel agencies to place an offer of sightseeing to their customers. It leads to the influx of foreign tourists.

The Moravian-Silesian region has 12 registered historical buildings (Table 2). The region's share of total traffic of cultural monuments in the Czech Republic is 5.2 % according to the Statistical Yearbook (The Statistická ročenka) of the Moravian-Silesian Region (2015) (The Central Bohemian region has 22.1 %, The South Bohemian region has 14.5 % and The South Moravian region has 15 %).

The intensity of visiting attendance in the region which results from the quantity of overnight stays in a collective accommodation was for almost two-thirds below the national standard in the region of North Moravia and Silesia, due to both domestic and especially foreign visitors (use of beds: Hotels **** 32 %, hotels *** 24 %, hotels **, * and guesthouses 20 %). Visitor's attendance in compares with the total area of the region shows rather low load of tourism in the area and this has potentially low impact on the environment (according to the Ročenka Moravskoslezského kraje, 2015).

Table 2: Number the Heritage Objects in the Moravian Silesian Region (from 2012 to 2014)

| The Moravian Silesian region – the historical heritage objects | 2012 | 2013 | 2014 |
|--|------|------|------|
| The museums, galleries and other historical objects | 36 | 36 | 36 |
| The historical objects with entrance fee | 10 | 10 | 12 |
| Number of the visitors (in thousands) | 281 | 189 | 321 |

Source: Own processing according to the dates of the NIPOS, 2015.

The Karviná district in the Moravian Silesian region is the fourth smallest district in the Czech. This area is strongly affected by coal mining which affects the landscape and the life there. District of Karvina is not the most popular area of cultural tourism in the Czech

Republic. This is due to significantly lower number of cultural sites and buildings which are available to the visitors. In the Karviná and near the Karviná city are preserved historical monuments that recall the rich history of the area. These form an integral part of the cultural heritage of the local population and their importance is regional as well as international. Development of the cultural tourism in the region has a legitimate importance.

The Defert function $T(f)$ is a quantitative indicator that expresses the intensity of tourist activities in the area.

It expresses an index of the tourist territory load in the area by expression of quantitative aspect of the tourist intensity. Respectively it expresses a level of psychologically and culturally viable potential. It is designed as a ratio of the numerical size of visitors and residents (as the ratio of the two populations, "visiting" and "being visited" (Zelenka, Pásková, 2002).

$$T(f) = N \times 100 / P ;$$

N = capacity of beds to accommodate foreigners

P = number of residents (destination, respectively place),

The higher the value of the function $T(f)$ is; the higher is the tourist activity in the area. Intervals $T(f)$ are divided as follows:

- $T(f) = 0-4$ almost no tourist activity;
- $T(f) = 4-10$ insignificant tourist activity;
- $T(f) = 10-40$ areas with significant, but not predominant features of tourism;
- $T(f) = 40-100$ predominantly tourist area;
- $T(f) = 100-500$ an important center of tourism;
- $T(f) = \text{over } 500$ hyper tourist resort.

The Index of the tourist function - $T(f)$ according to Zelenka a Páskova (2002) can be also used for an overall assessment of the role of tourism in the area and estimate the extent of its impact on the socio-economic microclimate, eg. threat to local cultural identity.

The Index of the tourist territory load $T(f)$ of the district Karviná is 0.8563, and is the lowest compared with other districts of Moravian Silesian region (Table 3). We can state that the Karviná district is an area with very low tourist activity.

Selected cultural objects significantly affect the cultural tourism in the Karviná district.

For this reason three buildings that represent a sample of the cultural heritage of the district were selected. These sites allow visitors to make a sightseeing tour explaining history and period when the compounds were founded and which purpose they fulfilled.

Table 3: Index of the Tourist Territory Load of the Districts in the Moravian-Silesian Region T(f)

| <i>The districts of the Moravian-Silesian region</i> | <i>Number of the permanent beds</i> | <i>Number of the residents</i> | <i>T(f)</i> |
|--|-------------------------------------|--------------------------------|-------------|
| Karviná | 2,201 | 257,012 | 0.8563 |
| Bruntál | 6,344 | 94,897 | 6.6851 |
| Opava | 3,113 | 176,887 | 1.7598 |
| Frydek-Místek | 8,989 | 212,806 | 4.2240 |
| Nový Jičín | 3,611 | 151,818 | 2.3785 |
| Ostrava - City | 5,198 | 326,302 | 1.5930 |

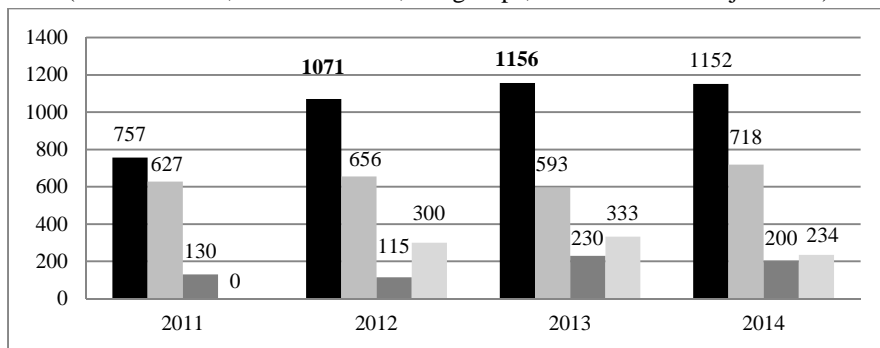
Source: Own processing according to the dates of the Czech Statistical Institute ČSÚ, 2015.

The subject of research is The Infantry Hut MO – S 5 „Na trati“ in Bohumín, The Castle Fryštát in Karviná and The Kotulova dřevěnka in Havířov. Each of the selected monuments shows the history of the region from a very different perspective. The Infantry Hut highlights the wartime past of this territory, The Castle Fryštát shows the way of life of the nobility in Karviná on the contrary The Kotulova dřevěnka illustrates the ordinary life of a middle class in the 19th and 20th centuries. A survey of these selected sites focused on identifying traffic, structure and number of visitors, time factor in the season and the opportunity to visit.

The Infantry Hut MO – S 5 „Na trati“

The Infantry Hut MO – S 5 „Na trati“ is located in Bohumín, very close the Polish border crossing. It was declared as a cultural monument on August 17th 2004 (Národní památkový ústav, 2015). This registration on the list of the cultural heritage saved it from destroying which was related to the construction of the highway. The Infantry Huts were built in the years 1935-1938, when Adolf Hitler came to power and relations between Germany and Czechoslovakia escalated. At that time construction of fortifications started. The area where the construction began firstly was district of Bohumín, blockhouse MO S-5 is among the oldest and largest cabins in this area and was built in the third degree of resistance (KONEČNÝ, HEJDA, RUCKI, 2010).

Figure 1: Visiting Attendance of the Infantry Hut MO – S 5 „Na trati“ from 2011 to 2014
 (1 – all visitors, 3 – individuals, 3 – groups, 4 – visitors of “Fajne léto”)



Source: Own processing, 2016.

Currently, the fortification is a property of city Bohumín but it is rented by Military History Club Bohumín, who took care of water and electricity supply, equipment, telephone exchange equipment, secured weapons. From the Infantry Hut became a historical military museum open to the public. Every year the tourist season starts on April 1st and ends the last of September. Club members provide expert commentary and a sightseeing tour during selected days. Growing interest was caused by the increase of contemporary exhibitions and especially the events that are held under the auspices of the Military History Club Bohumín.

In the years 2012-2014 the Infantry Hut was included in a project of Moravian Silesian region called “Fajne léto”, which contributed significantly to the increase in traffic of the monument. Children have free access to the site, entrance fee applies for visitors over fifteen years. Until 2010 the entry was free and the attendance was considerably lower than after the introduction of entrance fees in 2011 (Figure 1). The highest attendance was recorded in 2013. The lowest number of visitors was recorded two years earlier, when it was not part of the event "Fajne léto" yet. During all four years the highest attendance was in the summer, especially in July and August. Visitors come from different corners of the Czech Republic but also from abroad, mainly from neighboring countries: Poland, Slovakia and Germany. It is not an exception that visitors come from distant countries, such as Denmark, France, Russia, Ukraine, Italy, Spain, Mexico, United States US and China.

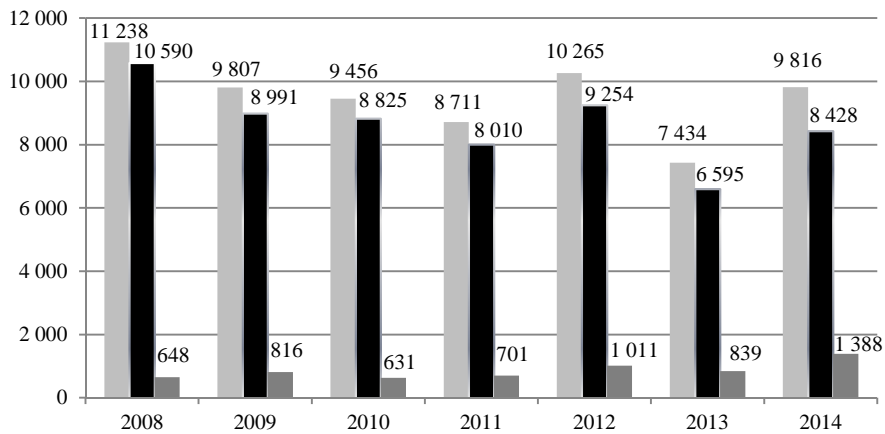
The Castle Fryštát

The empire Castle Fryštát dominates the town of Karviná. It belongs to the most famous cultural and historical monuments in the district of Karviná. The history of the castle is linked back to the 14th century. Originally it was an aristocratic residence with a fountain and a natural park in the English style. It was built during the modern era and performed residential, administrative, judicial or other tasks (Brych, Rendek, 2007). Originally a wooden castle in the Gothic style was built by Piasts (Knápek, 2002) and it is the only castle in the district of Karviná that is still in existence. The interior of the castle has a

particular style and represents the way of living of count's family Larisch-Mönnich. There are also elements from times of Piast. The life of the nobility of the 19th and 20th century is introduced to the visitors during the sightseeing tour. People can choose one of three circuits. In addition to historically furnished rooms there is also a castle library, an art gallery and a room designed for wedding ceremonies. The castle was declared as a cultural monument on May 3th 1958. Nowadays the castle is owned by the city of Karvina and it attracts many tourists from the surrounding area.

The largest group of visitors consists of adults. The overall structure of the visitors form a group that pay a family fee entrance which was most frequently purchased in 2014. The building was visited the most in 2008, the lowest attendance record was in 2013 (Figure 2).

Figure 2: Number of Visitors of the Castle Fryštát in Karviná from 2008 to 2014
(1 – all visitors, 2 – individuals, 3 – groups)



Source: Own processing.

The most important month of the season is June, except for year 2012, when it was September, in 2008 it was May and in 2011 it was July.

The castle is also used for as a place for organizing concerts, weddings, and from 2010 welcomes new born citizens. Also the visitors of these events increase the castle's attendance which is 6,025 people per year in average.

People from surrounding towns come for a sightseeing tour (Ostrava, Orlová, Frýdek-Místek, Bohumín, Třinec), as well as from distant areas (Prague, Znojmo, Rožnov, Hradec Králové, Krnov, Olomouc) and also from foreign countries: Slovakia, Poland, Germany,

Austria, Hungary, England, Pakistan, the United States, France, Finland, Denmark, etc. Most foreigners visited the castle in 2010 (287), on the contrary - just a year before it was only 44 persons.

The Kotulova dřevěnka

The Kotulova dřevěnka (timbered wooden thatched cottage) belongs to the oldest folk buildings in the Karviná district. It was built in 1781 (Knápek, 2002). The building is located in Havířov and it is considered as the oldest evidence of original local settlement. The purpose of the monument is to display the way of living of its inhabitants in the 19th and 20th centuries. The building has been preserved in its original form. The Kotulova dřevěnka is open to the public daily from early May to late October except Monday. Visitors can make a guided tour which would give them an expert commentary on past construction, people's lives and development until today. In addition, they can also purchase souvenirs, publications, tourist stamps and other souvenirs. The Kotulova dřevěnka was declared as a cultural monument on May 3rd 1958. It was opened to the public in 1997 and currently it is managed by the Museum of Těšín.

The group of visitors consists of all ages and the sale of group tickets is not an exception. The majority of tourists come for a visit in May, slightly less in June and October. Most of them come from neighboring cities: Ostrava, Petřvald, Orlova, Hlučín, Bohumín, Karviná, but also from Prague, Kroměříž, Kladno, Znojmo, Bzenec, Šumperk, Domažlice, Velké Pavlovice and many others. Foreigner visitors are not an exception - mainly from neighbouring countries. There were also visitors from following countries: England, Russia, Ukraine, Pakistan, Netherlands, Colombia, Spain, Catalonia, Kazakhstan, Hungary, Denmark.

The most frequent visits were in years 2013 and 2014, mainly due to the actions held in the compound of the Kotulova dřevěnka several times a year. During 2014 there were held 24 different events, some of them repeatedly thanks to the great interest. From 2000 to 2014, the events and promotions increased the attendance by more than 100%.

Discussion

Selected objects represent a cross-section of cultural heritage of the Karvina district. Each of them is a different kind of building - castle, folk architecture and a military monument. This leads to divergence of supporters and thus the total attendance. Monuments perform and display their past. They have a similar structure of attendance and visiting season. The Castle Fryštát is the most visited monument of the selected ones. Target groups are closely specified in the case of the Infantry Hut, which is a military monument that will attract only

specific group of people, while there is a broader interest to visit the Castle Fryštát or the Kotulova dřevěnka (Table 4 and Table 5).

People of different age groups would visit the selected sites - from children to adults, and seniors. Wider range of visitors is supported by offering a family tickets and discounted admission for children. There are not only visitors from the surrounding areas but also tourists from abroad, mostly from neighbouring countries.

The attendance of the Castle Fryštát varies the most (Figure 3). Attendance of the Kotulova dřevěnka is mainly increasing (the exception was in 2010) and an interest in a tour in the Infantry Hut is also growing. Unlike the Castle Fryštát the other two have rather regional significance. Every year the traffic of foreign visitors grows at the three sites.

Table 4: Visiting Attendance of the Selected Objects (from 2008 to 2014)

| <i>Object/Year</i> | <i>2008</i> | <i>2009</i> | <i>2010</i> | <i>2011</i> | <i>2012</i> | <i>2013</i> | <i>2014</i> | <i>Average annual number of the visitors</i> | <i>Tourist season (month)</i> |
|-------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|--|-------------------------------|
| The Infantry Hut MO-S 5 | - | - | - | 757 | 1,071 | 1,156 | 1,152 | 1,034 | IV. – X. |
| The Castle Fryštát | 11,238 | 9,807 | 9,456 | 8,711 | 10,265 | 7,434 | 9,816 | 9,532 | IV. – X. |
| The Kotulova dřevěnka | 2,784 | 3,754 | 2,875 | 3,189 | 3,130 | 3,879 | 4,793 | 3,487 | V. - X. |

Source: Own processing, 2016.

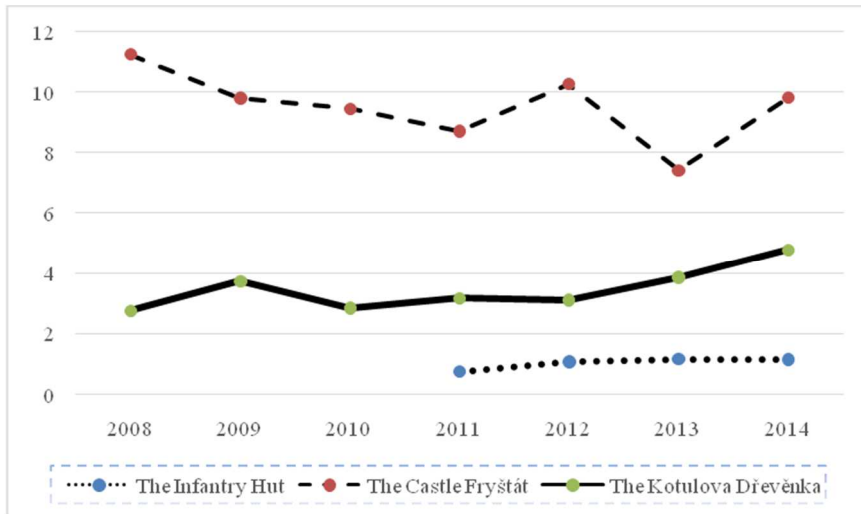
Table 5: Index Number of Visitors on Selected Objects (from 2008 to 2014)

| | <i>Index number of the visitors 2014/2008</i> | <i>Index number the of visitors 2014/2011</i> | <i>Index number of the visitors 2014/2013</i> |
|--------------------------------|---|---|---|
| <i>The Infantry Hut MO-S 5</i> | - | 1.52 | 0.99 |
| <i>The Castle Fryštát</i> | 0.87 | 1.12 | 1.32 |
| <i>The Kotulova dřevěnka</i> | 1.72 | 1.50 | 1.23 |

Source: Own processing, 2016.

Most sites are visited in the spring and summer months of the year. While the Infantry Hut is annually visited by many guests during the summer months, the Castle Fryštát is the most visited in June and the Kotulova dřevěnka brought the most visitors in May.

Figure 3: Dynamics of Development the Number of Visitors in Selected Objects (2008-2014)



Source: Own processing, 2016.

According to information from the statutory city of Karviná (Head of Marketing and Education Mrs. Ingrid Szczykova, 2015) are the most important city events associated with the Castle Fryštát. Accompanying program drives traffic to sites, events such as rides, guided tours in costumes, or borrowed a copy of the rare document the Devil's Bible Codex Gigas in 2014 attracted the attention of many foreign tourists.

In the Karviná region there is a certain degree of influence of tourism on the socio-economic sphere, but not significant. The situation can be solved primarily by supporting the development of other forms of tourism in the area, which can be combined with the existing range of cultural tourism, events or offer to those target groups that appear to have a potential for this kind of tourism. For example seniors, who have been recently rapidly growing group of desirable visitors, and the Karviná city fully satisfies their claims of cultural tourism (peaceful surroundings, spa care, smaller and less stressful urban areas, good climate for walking, proximity of the Beskydy mountains, natural water recreation possibilities – 2 ponds in surroundings, cultural and historical sights, good food and drinks and so on).

Conclusion

Presented research suggests some interesting insights. Researched cultural and historical objects in the Karviná region have regional importance and are visited mainly by local residents. Targeting significant tourists segments would intensify the traffic on these objects. Selected objects are dominantly visited by people with their families or friends. Second largest group are young people from 21 to 31 years of age. Factors such as long-term loss of young people from the region and increasing life expectancy leads to the conclusion that a visitor segment of seniors will be increasingly important. Preservation of cultural heritage has its importance in enhancing the tourist attendance in the Karviná region as a tourist destination. Additional program always has a multiplier effect. It increases the prestige of a monument, it is better to promote, it grows the interest of tourists in the object and thereby also increases tourist visits in the area. Cultural tourism at the Karviná region can be characterized as a sightseeing with significant seasonality. It has minimal tourist territory load in comparison with the average index of the tourist territory load of the Czech Republic. Given the location of these sites, higher number of visits can play important role in absorbing the regional disparities in the labour market (jobs offers at least of seasonal nature). Making these sights attractive and good promotion could affect the areal tourism load – ratio of the number of visitors to the number of residents in the region, which could indirectly affect the economy of the region (for example job offers). It would therefore be desirable on the part of public spending on culture to support the offer so that it can meet fairly stable or slightly increasing demand. Traditional cultural monuments utilize the limited range of resources and are therefore very vulnerable (faster growth of revenues before expenses, significant drop in profit margins and capital expenditures), and less adaptable. Additional possible increase in ticket could result in a reduction in traffic and ultimately also in total revenue. Sightseeing are part of tourism which can have important economic benefits for municipalities and regions. So-called "Regional marketing" is becoming better understood as a tool for regional development. It is not just about promotion or profit of individual entities, but a synergistic effect for the regions, especially those disadvantaged for example in their remoteness or restructuring.

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CZECH REPUBLIC IN PHOTOGRAPHS: QUANTITATIVE CONTENT ANALYSIS

***Abstract:** This paper discusses the current state of the most downloaded photographs used for tourism purposes in the Czech Republic. The aim of the paper is to present the results of the quantitative content analysis performed over a sample of 200 most downloaded photographs. For obtaining these photographs, the photographic database of CzechTourism was used. In the context of quantitative content analysis, following elements were observed: geographic location of photographed destination, type of visualized destination, time of day, environment, perspective, number and area of visualized persons.*

***Key words:** CzechTourism, destination marketing, destination types, photographs, quantitative content analysis, tourism*

***JEL Classification:** Z33, Y91*

Introduction

CzechTourism agency, or also Czech Tourist Authority (Česká centrála cestovního ruchu), is an organization established by the Czech Ministry of Regional Development. Its main activity is to promote the Czech Republic, both at home and abroad. To support this activity CzechTourism develops a variety of activities. In addition to long-term monitoring of visitors preferences of the Czech Republic, CzechTourism is also engaged in the operation of foreign representation of the Czech Republic in more than twenty countries. One of CzechTourism activities is the operation and maintenance of a photographic database containing photographs of tourist attractions and places of interest from the entire Czech Republic. This database was established in 2007 and in the time of research (3rd quarter 2013), contained a total of 3,034 photos.

One of the methods that can use visual imagination is content analysis. It is an empirical and objective procedure for quantifying recorded audio-visual representation; this method uses reliable and explicitly defined categories (Van Leeuwen, Jewitt, 2001). Usually verbal material (newspaper, literary), and photographs (Sztompka, 2007) are considered to be a kind of quazi-text, so they can be performed the same tasks as text, including content analysis.

Smith et al. (2004) describes examples of using content analysis for evaluating image content (both photographic and television). The core of analysis, which uses photographic materials, should always lie in derogation of the visual elements that are relevant to the specific research problem (Sztompka, 2007).

Sztompka (2007) in relation to the quantitative analysis of photographs is referring about the seven basic stages in which the creation of this analysis is simply described:

1. Definition of the research problem;
2. Selection of appropriate source of images;
3. Selection of the sample frames;
4. Creating a protocol of coded photographic material;
5. Images encoding;
6. Quantitative analysis;
7. Formulation of conclusions.

Regarding the criticism of this method, its core lies in the lack of focus on "audience", and critics emphasize the fact that the analysis fails to satisfactorily deal with the right cultural significance photos (eg. Ball and Smith, 1992). Quantitative content analysis of photographs nevertheless remains one of the basic methods of analysis of photographic materials.

According to Hall (2005, p. 192) the subjects of content analysis in tourism range from advertisement identification to an analysis of definitions published in academic journals. In context of marketing of tourism, this method is used in destination-image studies. For example, Stepchenkova (2008) demonstrates use of this method for analysis of e-survey questions, texts from tourism Web sites, and newspaper articles.

Materials and Methods

The aim of this paper is to present the results obtained through the quantitative content analysis performed over a set of 200 most downloaded photos contained in the photographic database of the agency CzechTourism. The aim based on this analysis was to gain awareness of the most downloaded photographs and objects displayed in them. Within the quantitative content analysis, following indicators were observed:

- Geographic location of photographed destination;
- Visualized type of tourist destination;
- Daytime;
- Situation (exterior/interior);
- Perspective (portrait, panoramic, aerial photo, widescreen photo);
- Number of visualized persons;
- Size of area of photographs occupied by persons;

- Visualized person's activity;
- Importance of visualized persons (central, complementary, in the background).

There were few ways how to determine a geographical location of visualized tourist destination for each photography. Within the CzechTourism database, there are for some photos GPS coordinates listed. After conversion to the corresponding coordinate system, these can be used for localization of examined photograph. In the case of absence of GPS coordinates, the position of photos was then based on a textual description of examined photography, when subsequently with the help of tools Google Street View the exact location of the visualized object was determined. Interior photos with missing GPS coordinates (especially photos visualizing the spa destination type) were geographically located to the centre of the visualized tourist destination.

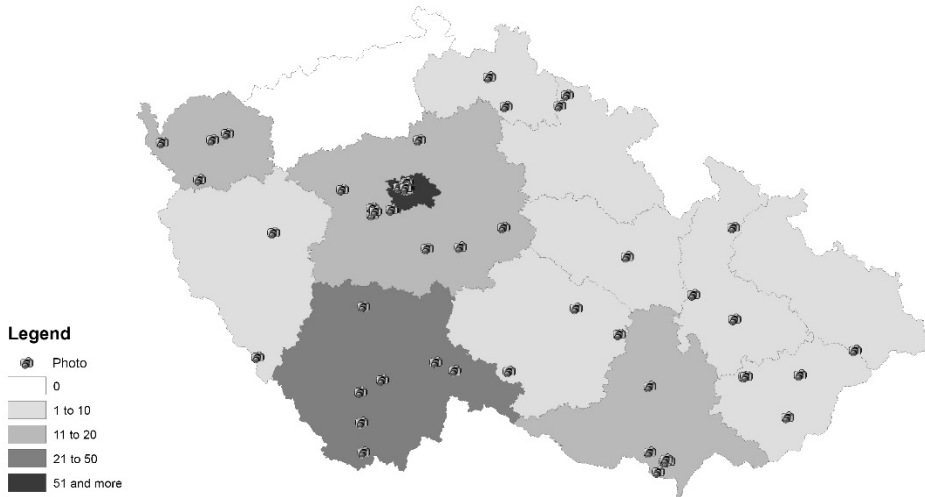
For identification of visualized type of tourist destination these destination types were used (based on Pásková, 2009): spa type; type of tourism in natural valuable areas; near the water type; type of cognitive tourism in rural complexes; historical type; mountain type; pilgrimage type; urban type; type of complexes of attractions. Visualized destination type was identified on the base of the central objects visualized in the photo. A text description of each photography given in the photo database also helped with the identification.

The size of area occupied by persons was examined with Photoshop CS6 software and its Histogram tool where image statistics are implemented. For a comparison of the surface of each image, it was necessary to calculate the percentage share of the area of persons on the total area of each examined photo.

Results

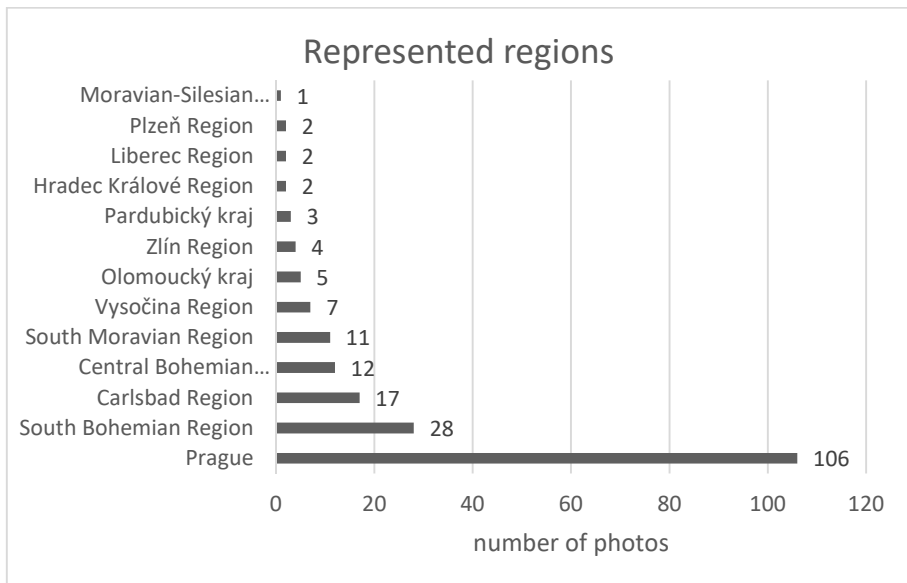
Map of the regions of the Czech Republic (see Figure 1) illustrates the geographical distribution of places, which are shown in the photos. From this map, it is evident that the most represented place is the capital city Prague, which was displayed in the absolute most of the photos (106 photos, 53 %). The second most widely represented region was the region of South Bohemia, which was displayed in 14 % of cases (28 photographs from a total of 200 photos). The third most represented region was the Karlovy Vary region. Places from this region were displayed on 17 photographs, which means 8.50 % of cases. The region, which had no representative among the photos, is Ústecký region. The absolute representation of other regions is given in Figure 2.

Appendix 1: Location of Analyzed Photos in the Regions of the Czech Republic



Source: Own elaboration, 2015.

Graph 1: Represented Regions



Source: Own elaboration, 2015.

Figure 3 shows orthophotomap of Prague. The vast majority of photographs depict the historic center of the capital city. The Prague Castle or its relief as the main object of picture was shown in thirty photos. In 17 cases the Charles Bridge was visualized. Furthermore, the Old Town Square was visualized in thirteen cases.

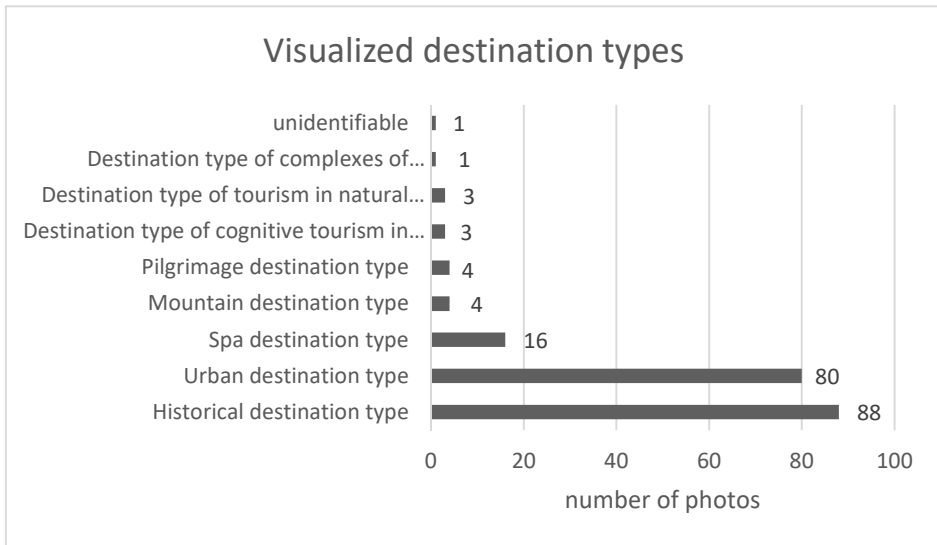
Appendix 1: Location of Analyzed Photos in Prague



Source: Own elaboration, 2015.

Regarding types of tourist destinations, which were displayed on the top 200 downloaded photos, there is a clear preponderance of the historic (46 %) and urban (40 %) type of destination, which together make up a significant part of the total number of examined photos. The third most depicted destination type is the Spa destination, which was displayed on the 16 photographs (i.e. 8 % of all photos). Other destination types did not reach a significant number of representation. The layout of all of the types of destinations is evident from the graph in Figure 4.

Graph 2: Visualized Destination Types



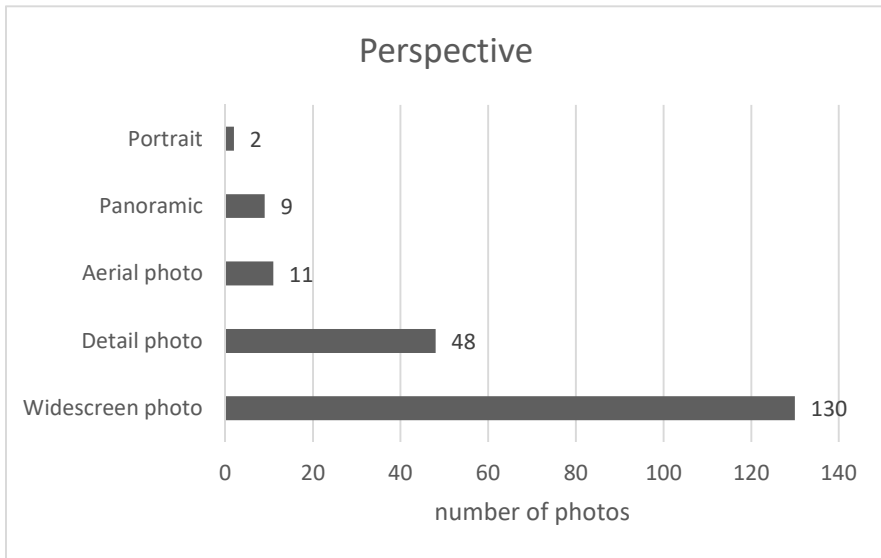
Source: Own elaboration, 2015.

The daytime shown in photos was another observed aspect. The prevailing daytime on 169 photos (84.50 % of cases) is a day, while night time is displayed on 23 photographs (11.50 % of cases). In the remaining 4 % of the cases, it was not possible to determine the time of day, mainly because of location in the interior.

Next analyzed element was the environment displayed on the photographs. A total of 192 photos representing 96 % shown the exterior environment, the remaining nine photos (4.50 %) captured the atmosphere of the Interior. The interior photos showed mainly pictures of the interiors of historic buildings (eg. Prague's Municipal House - Smetana Hall, Prague State Opera) and the photos of the spa destination type (eg. Karlovy Vary thermal spring, Luhačovice – dry carbonic bath).

Another element that was examined is the perspective of the analyzed photos. From the results that are shown in the graph in Figure 5, it is obvious that the most frequently used perspective was the widescreen perspective used in 65 % of cases. The second most common perspective was a detail that has its representation on the 24 % of the photos. From the analyzed photos, 11 photos were aerial photograph (5.50 %) and nine photos were panoramic (4.50 %). The smallest representation has the perspective of a portrait, which was used in two photos (1 % of cases).

Graph 3: Perspective of Examined Photographs

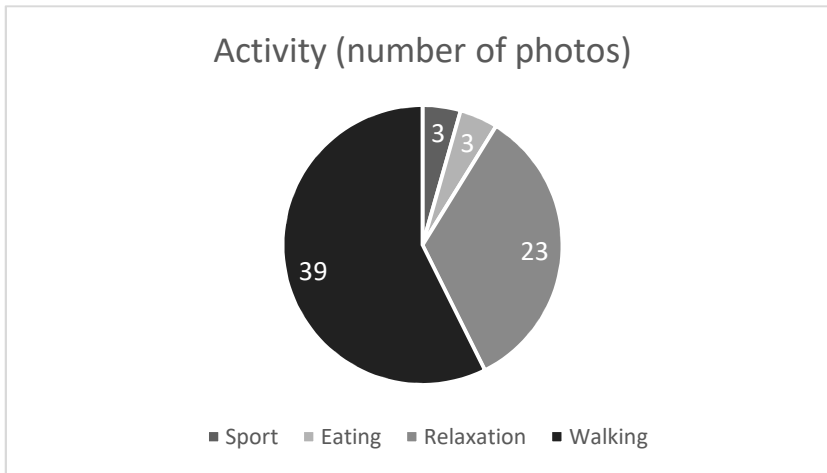


Source: Own elaboration, 2015.

The annual period was further analyzed element. An indication of the season was primarily obtained with the help of the photographing date attribute, which was available in the source database. The annual period was further analyzed element. An indication of the season was primarily obtained with the help of the photographing date attribute, which was available in the source database. The results indicate that the most represented were the period of the summer season (59.50 % of cases) and winter (12 % of cases). Conversely, the least represented seasons showing similar values of representation was spring (3 %) and autumn (4.50 % of cases).

Next categories examined via the quantitative content analysis were related to the display of persons, i.e., their activities, clothing and their importance. From a total of 200 photographs persons were visualized on 66 photographs. With regard to the activities of persons in photos captured, it is clear that the most common activity was walking (57.35 %) and relaxation (33.82 %). In contrast, the least displayed activities were sport and food; both activities were displayed identically on three photographs (i.e., 4.41 % of the cases). The distribution of activities is shown in the chart (see Figure 6).

Graph 4: Activity in Examined Photos



Source: Own elaboration, 2015.

In the category of clothing people visualized on the analyzed photos outweighs clothing leisure (94.12 % of the cases). Sports clothing as well as formal clothes were displayed identically on two photographs (in 2.94 % of cases).

In examined photos there were 65 persons visualized on average. The average area of the persons on the photographs visualized is 4.88 %. Other statistical characteristics of the area and the number of visualized persons are given in the Table 1.

Table 1: Persons on the Photos in Numbers

| | <i>Mean</i> | <i>Median</i> | <i>Minimum</i> | <i>Maximum</i> |
|----------------------------|-------------|---------------|----------------|----------------|
| Area of persons [%] | 4.88 | 2.58 | 0.09 | 57.50 |
| Estimated number of people | 64.84 | 12.50 | 1 | 500 |

Source: Own elaboration, 2015.

From the median value for the estimated number of persons, it is evident, that the photographs, which showed high values of the number of persons, influenced the average value. In the whole sample of photos, 13 photos visualized more than 100 people. In all cases, it were the photos of the various parts of Prague with the prevailing perspective of the aerial photo.

Regarding the area of visualized persons in the photographs, highest values do not reach the photos with high number of visualized persons, but photos with portrait perspective where are just visualized persons in the spotlight. In this case, there are two photos showing the area of persons with higher than 20 % of the total area. Both photos are situated into the interior and illustrate a spa destination type.

The last element related to the visualized persons is their importance. The most commonly visualized persons were located outside the main part of the photos and their importance is therefore rather in the background (51.47 % of the cases), how is well seen from the graph in Figure No. 16. The complementary importance, when persons are not the main motive of the photos but they occupy a significant part was recorded in 41.18 % of cases. In the least cases (7.35 % of cases) was the central importance of the visualized persons, where they take up a large part of the photos and are at center stage.

Conclusion

Nowadays, the most downloaded and the most common photos that are representing Czech Republic show historic and urban destination types. The prevailing characteristics of these photos are daytime, exterior and summer season, they are usually widescreen. Furthermore, attention of our research was focused on the people visualized in these photos. These people are mostly dressed leisure and their most common activity is walking. Mostly, these people are outside the main part of the photo and not in the center of the action. This fact could be caused by the fact that in the set of 200 pictures people were visualized only in 66 pictures. On average, there are 65 persons in the photo and the average area the persons take is 4.88 % of the total surface of the photograph.

Regarding possibilities of the further research, it would be interesting to conduct research within the other Middle European countries. Comparison countries with a different cultural background (eg. China, Japan, Middle East countries, etc.) would be also interesting. Thus, the used method can bring straight comparison of visual materials of different countries used for their promotion.

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TIME SERIES ANALYSIS OF PRICE OF BOTTLED BEER AT MARKET OF THE CZECH REPUBLIC

***Abstract:** This contribution deals with analysis of price of the 10° bottled beer in time series 1993-2015, aiming to obtain high-quality estimation of price of beer for the year 2016. In order to assess the time series trend there were calculated statistical features of price of beer, as well as growth differences and coefficients. There were calculated three types of trends – linear, quadratic and exponential. A linear function has been chosen as the most suitable as it has the highest determination index and the lowest Mean Squared Error value. The conveyed values show on the quality regressive model, out of which the estimation of price of bottled beer for the year 2016 was calculated.*

***Key words:** bottled beer, price, prognosis, the Czech Republic, time series*

***JEL Classification:** C40, C35, D24*

Introduction

Beer represents so to say national beverage for the Czechs, and it became inseparable part of our boarding. There is very large beer assortment. You can taste light beers, dark and semi-dark beers, sweetish or bitter, with various flavours of fruits, honey or caramel, and also yeast and non-filtered beers.

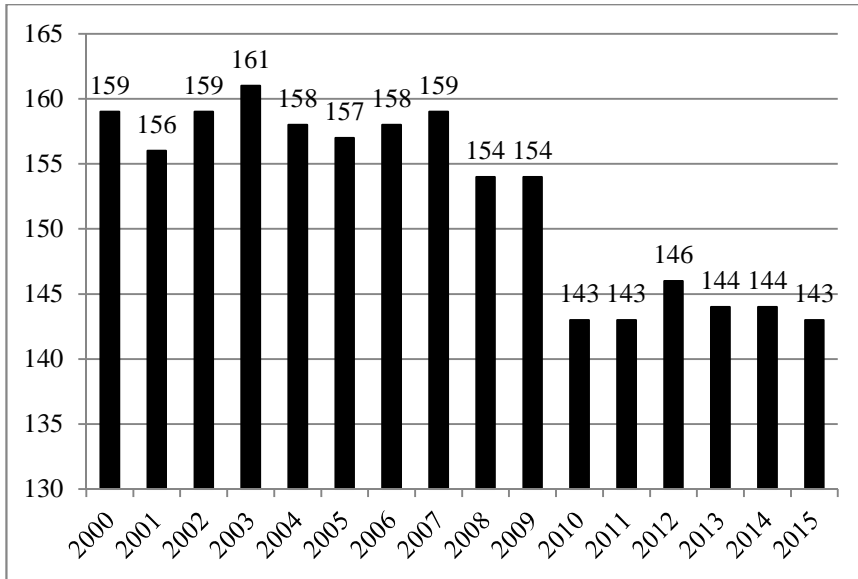
In the Czech Republic the consumption has been recorded since 1948. In that year it was on its historical minimum – 76.2 litres/person. On the contrary, in 2003 it reached its maximal level, when each Czech consumed 160.9 litres in average (BeerWeb, 2016). It is the most in the world. Annual consumption over level of 140 litres of beer per person is a trend of the last few years. These 140 litres represent 280 beer mugs, thus almost one beer a day for each Czech, including infants. Further positions are occupied by Irish and Germans.

Therefore, this contribution is also dedicated to analysis of time series 1993-2015 and estimation of price of bottled beer for the year 2016. In the frame of the time series analysis there were gathered elementary statistical features enabling to choose an appropriate trend of the researched time series and to get a quality estimation of the price for this year.

Source data were extracted primarily from the Czech Statistical Bureau (<https://www.czso.cz/>, 2014).

For illustration of an average beer consumption in litres per inhabitant in the period 2000-2015 see Graph 1.

Graph 1: Average Beer Consumption in Litres per Inhabitant in the Czech Republic



Source: BeerWeb, 2016.

There were many articles written about chronic alcohol overuse resulting in alcohol addiction and connected serious health and social strokes. By contrast, we barely find out about favourable influence of moderate consumption of alcohol (especially beer in our environment). It was scientifically proved and verified that modest consumption of beer (i.e. 0.5-1 litre of beer a day for men and 0.3-0.6 litre for women) has provably favourable influence on human organism. It was proved that beer supports digestive system function in some cases of digestive tract affections and takes effect against bile and uric stones. Beer has also prophylactic effect against inception and progression of arterosclerosis by which it reduces possibility of ischemic heart disease, actual heart attack and vascular brain stroke. Beer contains many mineral and trace elements, such as kalium, magnesium and B vitamins, which are important for correct function of all bodily organs (<http://www.ceske-pivo.cz>, 2012). Beer is being sold in the Czech Republic market in five types of packages. Proportions of particular types of package to the total consumption in the period 2012-2013 are shown in Table 1.

Table 1: Proportion of Individual Sort of Package to the Total Consumption in the Czech Republic in 2012-2013

| <i>Sort of package</i> | <i>Proportion to total consumption in %</i> |
|------------------------|---|
| Bottled beer | 42.0 |
| Keg beer | 40.0 |
| PET bottles | 11.0 |
| Canned beer | 4.0 |
| Tank beer | 3.0 |

Source: Největší producenti pěnivého moku u nás, 2014.

Total beer production in current time series 2009-2013 in the Czech Republic is illustrated in Table 2.

Table 2: Total Beer Production in Millions of Hectolitres in Time Series 2009-2013

| <i>Year</i> | <i>2009</i> | <i>2010</i> | <i>2011</i> | <i>2012</i> | <i>2013</i> |
|--|-------------|-------------|-------------|-------------|-------------|
| <i>Total beer production in mil. hl.</i> | 19.90 | 18.10 | 18.60 | 19.20 | 19.30 |

Source: Největší producenti pěnivého moku u nás, 2014.

Regarding the fact the most asserted sort in the Czech market is the bottled beer, this contribution is dedicated to this sort of package, concretely in the level of analysis of the price of beer containing 3,4-4,1 volume percents (contents of alcohol is mentioned on the package in volume percents which means the volume of beverage formed by pure spirit – former 10° beers).

First mention of predecessor of today beer bottles could be traced back to the year 1400 bc. However, as the first modern ones are considered those made in England in 1821. Those bottles had 'flip-top' closure with porcelain plug and rubber sealing. In 1972 beer in the Czech Republic started to be bottled into 0.5 litre bottles of brown or green colour and were used also in another European countries. They were marked as EURO. By the end of 80's of the last century some producers disliked them. They seemed poorly representative for more expensive sorts of beer and therefore they were replaced by NRW bottles (Nord Rhein Westfal) which had thinner and higher shape and precisely defined shade of brown. Beer bottles are restorable. Pursuant to the Czech government resolution a deposit for a half-litre bottle (since 2010) are CZK 3.0 (Pivní lahve, 2014).

Materials and Methods

For the analysis of 3.14-4.1% beer there were used source data of the time series 1960-2015 from the public database of the Czech Statistical Bureau (Průměrné spotřebitelské ceny, 2014; Spotřebitelské ceny vybraných druhů zboží a služeb, 2016) and from BeerWeb (Pivo jako nápoj, 2016), (Pivo 1960-2013, 2014).

The price analysis as itself deals with a shortened time series of 1993-2015 when the price was not influenced by the state and the independent Czech Republic came to existence after separation from Slovakia. The price analysed is an average of individual brands of bottled beers put for sale in shops, not in restaurants.

The main aim of this contribution is to set up prognosis of an average price of bottled beer for the year 2016. In order to find out the prognosis there was searched a suitable trend function describing the best the time series chosen, as mentioned for instance by Arlt and Arltová (2009). In order to chose a suitable trend in time series of the price of bottled beer there were set up the first and second differences and growth coefficient (Hindles et al., 2000). For the purpose of primary time series analysis there was created a point diagram. According to Mark (2007) it is possible to recognise a long-term tendency or certain periodically repeating development changes within the series course. Such an analysis is not sufficient for cognition of deeper coherences and mechanisms of the studied process, and it does not allow to describe digestedly its features. To describe the features, time series elementary properties can be used. Among these properties we count differences of various magnitudes, tempo and average growth tempo or average values of time series. Further, to chose suitable trend function there was used MSE criteria (Mean Squared Error) with common priority of a model with the lowest MSE criteria. The formula

$$\text{MSE} = \frac{\sum (y_t - y'_t)^2}{n}$$

was used for calculation, where y_t are values measured out whilst y'_t are theoretical values (coming out of the calculated trend function) and n is number of variables in the model. On the basis of the trend function the 2016 price of bottled beer was estimated. Time series analysis was performed on the basis of the regression and correlation analysis, as conveyed by Hindls et al. (2006) and Novák (2015). Point and interval estimations were estimated due to the standard statistical proceedings which are stated for instance by Skupinová (2012). Computer program Statistica 12 CZ was used for statistical calculations.

Results

Out of the calculations of elementary features describing development of average price of beer in 1993-2015 (Table 3) it arises that the first differences are roughly constant and the second differences oscillates around zero. That is why it is possible to presume the time series linear trend. Average growth coefficient was 1.028, thus in the time series 1993-2015 an average price of bottled beer increased by 2.8 %.

Table 3: Elementary Features of Average Price of Bottled Beer in 1993-2015

| <i>Year</i> | <i>Average price of bottled beer</i> | <i>First difference</i> | <i>Second difference</i> | <i>Growth coefficient</i> |
|-------------|--------------------------------------|-------------------------|--------------------------|---------------------------|
| 1993 | 5.69 | - | - | - |
| 1994 | 5.85 | 0.16 | - | 1.0281 |
| 1995 | 6.08 | 0.23 | 0.07 | 1.0393 |
| 1996 | 6.40 | 0.32 | 0.09 | 1.0526 |
| 1997 | 6.79 | 0.39 | -0.07 | 1.0609 |
| 1998 | 7.17 | 0.38 | -0.01 | 1.0560 |
| 1999 | 7.44 | 0.27 | -0.11 | 1.0377 |
| 2000 | 7.62 | 0.18 | -0.09 | 1.0242 |
| 2001 | 7.78 | 0.16 | -0.02 | 1.0210 |
| 2002 | 8.28 | 0.50 | 0.34 | 1.0643 |
| 2003 | 8.59 | 0.31 | -0.19 | 1.0374 |
| 2004 | 8.55 | -0.04 | -0.35 | 0.9953 |
| 2005 | 8.48 | -0.07 | -0.03 | 0.9918 |
| 2006 | 8.41 | -0.07 | 0.00 | 0.9917 |
| 2007 | 8.51 | 0.10 | 0.17 | 1.0119 |
| 2008 | 8.98 | 0.47 | 0.37 | 1.0552 |
| 2009 | 9.18 | 0.20 | -0.27 | 1.0223 |
| 2010 | 9.87 | 0.69 | 0.49 | 1.0752 |
| 2011 | 10.02 | 0.15 | -0.54 | 1.0152 |
| 2012 | 10.12 | 0.10 | -0.05 | 1.0100 |
| 2013 | 10.55 | 0.43 | 0.33 | 1.0425 |
| 2014 | 10.43 | -0.12 | -0.55 | 0.9886 |
| 2015 | 10.51 | 0.08 | 0.20 | 1.0077 |

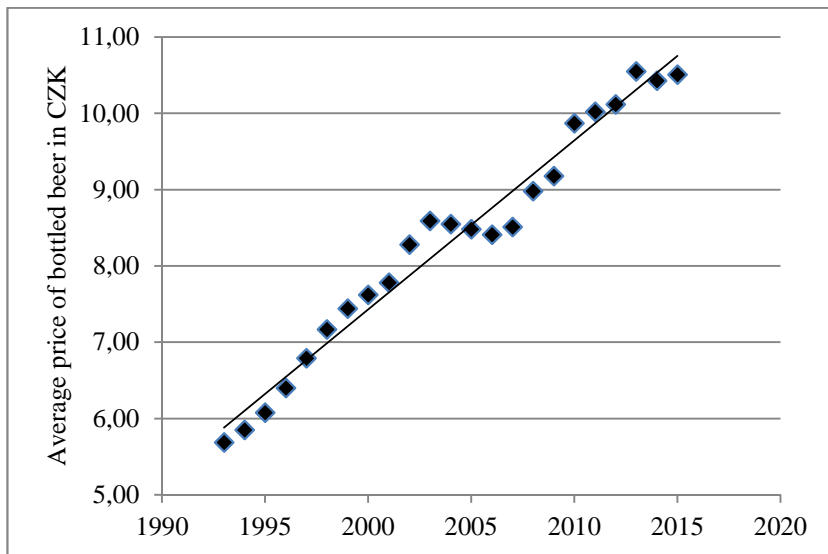
Source: Self processed.

The linear trend found out is illustrated by Graph 2.

Out of the Graph 2 it is evident that the price of bottled beer in the researched period (1993-2015) has an increasing trend. Price of bottled beer oscillates from CZK 5.69 in 1993 to CZK 10.51 in 2015. Between 2003 and 2006 there occurred a price depression by reason of common positive market development. Production in 2006 reached the second highest value in the decade which was positively reflected in the price of bottled beer. The price

was also reduced by accumulative competition, e.g. full control of Plzeňský Prazdroj brewery by company SAB Miller (in 2005). After 2006 price of bottled beer started to increase again, probably because of higher costs of beer production – materials and fuel. Median of the price of bottled beer is CZK 8.48 and arithmetic average is CZK 8.32. Standard deviation was CZK 1.52 and variable coefficient of a bottle of beer was 18.32 %.

Graph 2: Trend of Average Prices of Bottled Beer in 1993-2015



Source: Self processed.

On the basis of above stated analysis, to estimate the price of beer for 2016 there was used trend line $y = 5.660 + 0.221 \cdot t$, where t means a time variable (for 2016 is $t = 24$, i.e. in 1993 is $t = 1$). Further there was calculated a correlation coefficient $r = 0.985$ and a determination index $I^2 = 0.971$. High determination index enables to calculate good quality prognosis of the price of bottled beer for the year 2016.

Out of the trend function there was – with 95 % accuracy – calculated a point estimation of price of bottled beer for 2016, which was CZK 10.96, and an interval estimation for the same year, which was CZK 10.34 - CZK 11.58.

Suitability of the used model was verified – besides determination index – also by calculation of MSE, which was 0.062. The low MSE value also confirms a good quality of a regression model. At searching for a suitable trend there was calculated also a quadratic trend ($y = 5.445 + 0.273 \cdot t - 0.002 \cdot t^2$), MSE 0.271 and an exponential trend ($y = 5.881 \cdot 1.0278^t$), MSE 0.089. In both cases MSE value was higher than at the linear trend, thus it was verified again that the linear trend described by the linear equation copies well the correlation field studied, whilst remaining two models are rather inapplicable.

Table 4 generally informs about values of the compared trend functions.

Table 4: Calculated Trend Functions

| <i>Type of trend</i> | <i>Linear</i> | <i>Quadratic</i> | <i>Exponential</i> |
|--------------------------------|-----------------------------|---|----------------------------|
| <i>Function</i> | $y = 5.660 + 0.221 \cdot t$ | $y = 5.445 + 0.273 \cdot t - 0.002 \cdot t^2$ | $y = 5.881 \cdot 1.0278^t$ |
| <i>Correlation coefficient</i> | 0.985 | 0.987 | 0.977 |
| <i>Determination index</i> | 0.971 | 0.975 | 0.954 |
| <i>MSE (Mean Square Error)</i> | 0.062 | 0.271 | 0.089 |

Source: Self processed.

Discussion

In 1993-2015 time series of price of bottled beer the computations found out a linear trend describable by a straight line. Despite the price reduction between 2003 and 2006, probably caused by common positive market development and enlarging competition, and subsequent increase of price after 2006, probably because of higher cost of production (increased prices of materials, fuels and energies), it is possible to consider the trend calculated as a model of very good quality. Such a thesis is supported by calculation of high value of determination index (Hindls et al., 2006) and low MSE value, which examines estimation errors. Such a criteria has very good design features (linear derivation), however it also has a disadvantage - discouraging attitude to big errors to the detriment of smaller ones (What are Basic Statistics, 2014). Out of the results listed it is possible to consider the 2016 beer price estimation CZK 10.96 as very precise. In order to be more careful in 2016 estimation it could be more suitable to use interval estimation (which was in analysed regression CZK 10.34-11.58 instead of single outcome. On the other hand the time series shows outright linear trend in such a degree that interval estimation is useless and it is possible to agree with the result in the form of point estimation degree. According to Hospodářské noviny (2015) almost 2 % increase of price of bottled beer is expected, thus the calculated prognosis corresponds with the quoted price development. McKenzie (marketing director of Plzeňský Prazdroj) claims the sale will not decrease at premium beers, i.e. eleven- and twelve-degree lager beers and draught beers: "I am convinced that the beer category has a strong growth potential... Innovatory beverages such as cider and non-alcoholic flavoured beers will increase as well, which will cut off a part of range from alcoholic 'radlers'. We might also see an increase of a dark beer".

Conclusion

Development of price of bottled beer is a specific phenomenon in the Czech society, sensitively perceived by consumers. Age-old predictions that the government that raises the price of beer inevitably falls, has already been statistically convincingly refuted (see Table 3). Despite, price of bottled beer influences not only a demand for the goods, but also a demand for draught beer in restaurants. It is possible to observe the last years' gradual and permanent demand decrease, which fact has a negative impact on a restaurants' business. Bottled 10° beer effects here like a direct substitute in consumers' consumption. At the same time we can claim that development of price of draught beer in the period observed was considerably higher than in case of bottled beer. Results of this article relieve to document such a development.

The time series 1993-2015 of the price of bottled beer was described by elementary statistical features, likewise differences and growth coefficients were set up which enabled primary look in a possible trend. It was found out that price of beer increases by 2.8 % in average. It is necessary to take such a discovery into relation to an average inflation in the Czech Republic, which was in the observed period 1993-2015 4.63 % (Číselník, 2016; Míra inflace, 2016): Of course we have to accentuate that in 2015 an average year inflation reached only 0.30 % (Míra inflace, 2016) while in 1993 – in the initial year of the analysed time series – inflation was 20.80 % (Míra inflace, 2016). It indicates that an average price increase of bottled 10° beer was considerably lower than a total increase of the price-level in the Czech Republic, which could significantly relieve to shift consumers' attention towards consumption of bottled beer.

On the basis of calculation of correlation coefficient ($r = 0.985$), determination index ($R^2 = 0.971$) and low MSA value, a linear trend function ($y = 5.660 + 0.221 \cdot t$) was chosen. For 2016 prognosis of the price of bottled beer there was a point estimation chosen with 95 % accuracy amounting CZK 10.96.

It is possible to postulate probability of continuation of the trend of bottled beer price development for the forthcoming period without significant fluctuations. It will surely have an effect in demand for close substitutes, especially for draught beer.

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HUMAN RESOURCES ACTIVITIES AND WAYS OF STAFFING AT HOTELS

***Abstract:** The article deals the matter which Human Resources activities are ensured at small, medium-sized and big hotels. On the basis of a questionnaire survey and interviews with respondents there is analysed which Human Resources activities are ensured by Human Resources departments (by Human Resources managers), by other departments, in a supply way or they are not ensured at all. On the subject of theoretical outlets and other surveys the article also deals the amount of Human Resources managers whose agenda is to ensure these activities. One of the most important findings are represented by the fact that the level of outsourcing of Human Resources activities is in comparison to expectations low, nevertheless a significant part of the examined hotels does not ensure personnel activities in the field of the Human Resources development what undoubtedly influences high fluctuation in this sphere.*

***Key words:** Human Resources Management, Labor Force and Employment, Personnel Management*

***JEL Classification:** J21, M12*

Introduction

This article studies the issue concerning the way of Human Resources activities ensured at hotels. Its goal is to present (based on the results of the research done on a sample of various-sized hotels in Prague) which personnel activities are ensured at hotels, who ensures these services and if the extension of these performed activities and the way of their ensuring has a close connection with hotels size. The base is represented by the data gathered from a questionnaire survey done in the beginning of the year 2015, which was primarily focused on the issue of information support of staff management at hotels. This article includes the data which are connected with the way of ensuring Human Resources activities performing, without reference to by which way this performing is supported in light of information systems and technologies.

The ways which are used by organisations to ensure Human Resources activities performing is closely affiliated with the philosophy in the field of Human Resources professed and also probably with the size of organisations and their ownership relations.

On principle we can result from severance of approaches to company Human Resources matters to Human Resources administration, personnel managing and Human Resources management as it is for instance defined by Kociánová (2010). Although this severance is apprehended as a chronological development, in practise we can notice a continual co-existence of the stated approaches to company Human Resources management. It means that there can be found companies which focus only on the matters regulated by the legislative as well as the companies which have a sophisticated system of Human Resources management. It naturally influences the choice of personnel activities which are performed in companies. It also has an influence on the matter of the fact who is for this performing responsible. We can assume that the companies size and ownership relations, first and foremost the matter of the fact if it concerns an independent hotel or a hotel of a bigger groupment, represent the factor which significantly affects approaches of the companies to an extension and a way of Human Resources activities ensuring.

Materials and Methods

The procedural model of administration which have more or less been adopted by companies since nineties of the last century (Dědina, Malý, 2005), naturally influences the field of Human Resources administrating. There exists a group of authors who study the matters of personnel administration processes (Human Resources administration etc.), whereas their concept differs in the extent of details, accordingly in the way of segmentation of this process sub processes and particular personnel activities. It also differs in the matters if in the process of personnel administration there are included certain activities which are from the Human Resources managing point of view considered marginal or boundary (an organisation and an operational system, safety and health protection during working procedure etc.). Most of the authors whose works are contemporarily considered the main stream of Human Resources managing (Armstrong 2010, Koubek 2015, Dvořáková Z. 2012, Kocianová 2010 et al.) agree on the fact that in scope of personnel administration process the most important sub processes are represented by Personnel planning and controlling, Personnel administration (here with big differences in activity subsumption of wages processing which is by some of the authors included in the process of remuneration), Getting and placing workers, Remuneration and Benefits, Human Resources Development a Preparation and Education of Workers. This approach was also chosen in the work Modern personnel management in services (Žufan, 2012) and is also applicate in this article. For the needs of the questionnaire research there were in a detailed way particular sub processes classified into typical personnel activities so that the respondents were able to orient in the issue as following:

Personnel administration

- Employees data administration;
- Contract agenda (preparation, evidence and contracts and agreements storing);
- Working hours' evidence, overtime and other compulsory data,
- Wages calculation;
- Agenda of travelling amends.

Personnel planning and controlling

- Creation of work positions character;
- Creation of organizational structure and systematization;
- Persons, wages and salaries planning;
- Monitoring and predictions of amount of employee's development and personal costs.

Recruitment

- Job applicant's data administration;
- Job recruitments organisation.

Human Resources development

- Employees assessment;
- Personnel reserves system creation and administration.

Planning and management of employee's personal development

- Qualification requirements definition (qualification catalogue);
- Employees qualification administration (monitoring of matching requirements with reality);
- Education management.

Remuneration and benefits

- Wage-payment plan creation;
- Analysis and work assessing;
- Benefits system creation;
- Benefits administration (demands and withdrawing monitoring).

For ensuring personnel activities there are needed some necessary specific competences which demand the presence of qualified workers – Human Resources managers, eventually other workers who have cumulated functions (work positions), who dispose of these competences.

The matter of the fact, if an organisation disposes of specialised work positions, eventually creates the whole personnel organ, is dependent on its size and the extent of personnel activities done by its performance. As the outcome of its project HR MONITOR the company TREXIMA states the coefficient 1.1 personnel officer (meant according to full time equivalent) out of 100 employees (meant according to physical persons). This stated coefficient decreases with increasing amount of an organisation employees (TREXIMA, 2013). Similar data are also stated by the Czech company for Human Resources and other sources development). It is obvious that especially in small and medium-sized companies the existence of work position „personnel officer“ is very improbable, namely above all

because of economy reasons. Personnel activities can be a part of the work position with a widened work agenda (an assistant, an office manager, line managers etc.) or they can be divided into more work positions (an assistant, an accountant, line managers), eventually some necessary personnel activities (personnel administrative) can be ensured with the help of outsourcing. On the other side, namely the companies which are a part of wider groups (hotel companies) can ensure some activities at the level of a controlling company (headquarter holding) as a shared service. In light of formality we can mention outsourcing (controlling company is another juridical person and to ensure any services there has to exist contractual relations). On the other hand, supporting personnel policy of holding is easier in this way and same it is possible to offer employees some benefits resulting from the size (career transfer within the holding, internships, education or more attractive employees benefits).

To find out which personnel activities and by whom they are ensured at hotels, there was applicate a questionnaire research and interviews with the respondents. As stated above, the research concerned not only personnel activities at their dimension but also (and especially) the matters of information support of Human Resource Management (Human Resources Information Systems – HRIS). For this article needs we deal with only two parts of the questionnaire. The first one includes hotel identification, defining its juridical form, physical evidence amount of employees and amount of employees who fully or partly deal with personnel activities ensuring. The second part is represented by personnel activities enumeration and it enables respondents to state if this activity is ensured by a personnel organ (respectively by workers who perform the status of personnel officers), whatever company organ or if an activity is ensured in the supply way, with the help of outsourcing. If any entry is not filled in, it is meant that this personnel activity within an organisation is not performed, what was proved within the frame of an interview with a relevant respondent.

Respondents

The questionnaires were distributed by students of the fifth grade of the study programme Hospitality and Spa Management at the Institute of Hospitality Management in Prague, extramural study programme. This form was chosen first and foremost so because there was the hope of higher recoverability than within a common distribution form, and also because of the fact that it enabled to discuss the results with the respondents and flowingly prove their validity. Within the scope of discussing the questionnaires there were 27 % of delivered questionnaires displaced, so after all the processing included 55 questionnaires providing information about the same amount of hotels. Out of the stated amount of hotels there were 26 small organisations (i.e. 47.3 %), 24 medium-sized organisations (i.e. 43.7 %) and 5 big organisations (9 %). To divide the hotels into the separate groups there was used the procedure seen in the Attachment I Committee Regulation (EC) 800/2008

(European Committee, 2008). It defines that small organisations employ maximally 50 persons, medium-sized up to 250 persons and big organisations over 250 ones. Using the expression „person“ enables not to differ employees from other workers who are in labour relations with an organisation (they work on the basis on the agreement to perform work or the agreement to complete a job). In light of ensuring most personnel activities there do not exist any significant differences. Dividing on the basis on the size of an organisation was implicated in the processing by reason of providing results suitable for a comparison.

In light of the juridical form the preponderance (61.8 %) is represented by Limited Companies which are majoritarily presented in the segment of small and medium-sized organisations (65.5 %, eventually 62.5 %). In the segment of large organisations the ratio of Limited Companies to Public Limited Companies is 60 % : 40 %. In the segment of medium-sized organisations Public Limited Companies represent one third of the researched sample but to speak about small organisations there goes about fewer than 8 %. On the contrary concerning small organisations (and nowhere else) there was learnt the business form „natural person – businessman“ amounting to 15 %. The evaluation of the delivered data in light of juridical form did not bring any significant specific marks and therefore this light is not included in the processing.

The last researched light within the field of data identification was independence of hotels or their joining wider business groupment. Within the small organisations there was not identified any hotel which was a member of any hotel organisations or hotel chains, although in most cases their owners control other business subjects, however with another business subject than accommodation services providing. The segment of medium-sized hotels includes two hotels which are a part of international hotel organisations and five hotels which are owned by domestic hotel organisations (two of them carry business only in the hotel business, the third one has apart from hotel business other business activities). The group of large companies includes four hotels belonging into international hotel chains and one domestic independent hotel. The stated sample dividing does not enable to carry out a credible comparison of particular forms and it will not be henceforth taken into account.

Outcomes

Into the sub process of Personnel administration there were placed the activities which hotels have to do because it goes about the activities appointed by generally binding legislative. As obvious from the Table 1, the activities Employees Data administration, Contract Agenda and Work Hours Evidence are generally ensured by personnel organs, respectively workers who execute the function of a personnel officer. As for the wage agenda, accordingly wages calculation and related activities, the situation is not so unambiguous. Although personnel officers ensure this activity at a major level, involving

other hotel organs (approximately one fourth) and namely outsourcing of this activity (almost one third out of a total amount of hotels) is very significant.

Table 1: Personnel Administration – Overall Results

| | <i>Pers. organ.</i> | <i>Other organ</i> | <i>Outsourcing</i> | <i>Does not administer</i> |
|--------------------------------------|---------------------|--------------------|--------------------|----------------------------|
| <i>Employees data administration</i> | 69% | 22% | 9% | 0% |
| <i>Contract agenda</i> | 74% | 20% | 6% | 0% |
| <i>Work hours evidence</i> | 53% | 40% | 7% | 0% |
| <i>Wages calculation</i> | 44% | 26% | 30% | 0% |

Source: Own elaboration.

When looking at the matter in a more detailed way, it means in light of the size of the researched hotels, then we find out certain differences, as seen in the Table 2. As expected most personnel administration at hotels is concentrated in personnel organs, excepting work hours' evidence which is in half cases left at the particular centres level. As also presumed small and medium-sized hotels embody a significant level of wages agenda outsourcing.

Table 2: Personnel Administration – As Consistent with Segments

| | <i>Personnel organ</i> | <i>Other organ</i> | <i>Outsourcing</i> | <i>Does not administer</i> |
|--------------------------------------|------------------------|--------------------|--------------------|----------------------------|
| <i>Employees data administration</i> | | | | |
| SO | 68% | 28% | 4% | 0% |
| MSO | 67% | 17% | 17% | 0% |
| LO | 80% | 20% | 0% | 0% |
| <i>Contract agenda</i> | | | | |
| SO | 68% | 24% | 8% | 0% |
| MSO | 79% | 17% | 4% | 0% |
| LO | 80% | 20% | 0% | 0% |
| <i>Work hours evidence</i> | | | | |
| SO | 56% | 32% | 12% | 0% |
| MSO | 50% | 46% | 4% | 0% |
| LO | 50% | 50% | 0% | 0% |
| <i>Wages calculation</i> | | | | |
| SO | 44% | 24% | 32% | 0% |
| MSO | 38% | 29% | 33% | 0% |
| LO | 80% | 20% | 0% | 0% |

SO – small organisations, MSO – medium-sized organisations, LO – large organisations

Source: Own elaboration.

In terms of the research the sub process Personnel administration also includes the agenda of travelling expenses. 17 % respondents stated that this personnel activity is not at the researched hotels ensured at all (SO 22 %, MSO 8 %, LO 20 %). It can be admitted that the workers especially of small hotels do not participate in any business trips, however as for big hotels which are a part of hotel organisations it is very improbable. During personal interviews the respondents admitted that in the stated organisations business trips exist but their administration ensuring is completely contrary to the legislation. Orders to business trips are not provably issued and business trips are not properly accounted and cleared. Here it is crucially important to alert to the matter of the complications concerning an eventual injury during such a business trip.

In consideration of high level of employee's fluctuation and employing a big amount of workers in the form of the agreement to perform work or the agreement to complete a job, hotel managers consider the field of recruitment as one of the most significant personnel activities. In accordance with personnel managers of most hotels, searching and choosing new employees are their most frequent work activities. What this section looks like in accordance with our research results, see the Table 3:

Table 3: Recruitment – Overall Results

| | <i>Personnel organ</i> | <i>Other organ</i> | <i>Outsourcing</i> | <i>Does not administer</i> |
|---|------------------------|--------------------|--------------------|----------------------------|
| <i>Job applicants data administration</i> | 70% | 26% | 0% | 4% |
| <i>Recruitment organisation</i> | 64% | 31% | 0% | 5% |

Source: Own elaboration.

As presumed the issue of recruitment is above all dealt by personnel officers. Not even in one case the sub process is not outsourced what supports the idea that it represents the key process for hotels. On the other side several researched hotels do not systematically deal the matter of recruitment. In accordance with the references of the respondents at the given hotels there is low fluctuation and eventual occupying work positions is done ad hoc, usually at the level of relevant sector managers.

The Table 4 shows that at large hotels the administrative recruitment agenda is completely done by personnel officers but organisation of a new workers, choice is in one third done by managers of particular centres, equally as in case of small and medium-sized organisations.

Table 4: Recruitment – As Consistent with Segments

| | <i>Personnel organ</i> | <i>Other organ</i> | <i>Outsourcing</i> | <i>Does not administer</i> |
|---|------------------------|--------------------|--------------------|----------------------------|
| Job applicants data administration | | | | |
| SO | 60% | 32% | 0% | 8% |
| MSO | 75% | 25% | 0% | 0% |
| LO | 100% | 0% | 0% | 0% |
| Recruitment organization | | | | |
| SO | 60% | 32% | 0% | 8% |
| MSO | 67% | 29% | 0% | 4% |
| LO | 67% | 33% | 0% | 0% |

SO – small organisations, MSO – medium-sized organisations, LO – large organisations

Source: Own elaboration.

Aside from remuneration and company culture the possibility of personnel development is considered as one of the most significant stabilization factors (see for example Petříková and composite authors, 2007, p. 117 and further). Logically, we can expect that personnel activities which are in the Human Resources development included will be ensured mostly by personnel organs. In actual fact it is valid only in circa a half of the researched hotels, as obvious from the Table 5. This matter is underrated because there is the fact that at every tenth researched hotel nobody deals the matter of succession and personnel reserves preparation.

Table 5: Human Resources Development – Overall Results

| | <i>Personnel organ</i> | <i>Other organ</i> | <i>Outsourcing</i> | <i>Does not administer</i> |
|---|------------------------|--------------------|--------------------|----------------------------|
| <i>Employees assessment</i> | 55% | 42% | 0% | 4% |
| <i>Creation and administration of personnel reserves system</i> | 54% | 30% | 5% | 11% |
| <i>Planning and managing personal development of employees</i> | 54% | 37% | 4% | 6% |

Source: Own elaboration.

More surprising is the fact that the matter of succession and personnel reserves preparation is not dealt by 40 % of large hotels out of the researched sample. More detailed studying confirmed that this matter is dealt by supranational hotel organisations which have sophisticated system of promoting and transfer of workers with development potential and excellent work results, whereas domestic organisations do not applicate this attitude which is not surprising in consideration of the possibilities and the conditions of the transfer within the Czech Republic. It is not unexpected that at every eighth small hotel personal development of employees is not managed (see the Table 6), however even this fact is better than it was expected.

Table 6: Human Resources Development – As Consistent with Segments

| | <i>Personnel organ</i> | <i>Other organ</i> | <i>Outsourcing</i> | <i>Does not administer</i> |
|--|------------------------|--------------------|--------------------|----------------------------|
| Employees assessment | | | | |
| SO | 60% | 32% | 0% | 8% |
| MSO | 54% | 46% | 0% | 0% |
| LO | 33% | 67% | 0% | 0% |
| Creation and administration of personnel reserves system | | | | |
| SO | 54% | 27% | 8% | 12% |
| MSO | 56% | 36% | 4% | 4% |
| LO | 40% | 20% | 0% | 40% |
| Planning and managing personnel development of employees | | | | |
| SO | 48% | 32% | 8% | 12% |
| MSO | 61% | 39% | 0% | 0% |
| LO | 50% | 50% | 0% | 0% |

SO – small organisations, MSO – medium-sized organisations, LO – large organisations

Source: Own elaboration.

The next researched personnel sub process is represented by employee's education. As seen from the Table 7, at approximately half of the researched hotels the matter is dealt by personnel officers, in other cases organization and managing the education is controlled by line management, exceptionally this activity is outsourced. During interviews with the respondents there was paid an attention to the cases when they stated that these activities are not managed. In accordance with their answers which are supported by the Table 8, it is namely a problem of small hotels where employee's education is limited to statutory demand fulfilment (especially in the field of safety and health protection during work – BOZP) and this is very often in a very formal way.

Table 7: Employees Education – Overall Results

| | <i>Personnel organ</i> | <i>Other organ</i> | <i>Outsourcing</i> | <i>Does not administer</i> |
|--|------------------------|--------------------|--------------------|----------------------------|
| <i>Qualification requirements defining</i> | 52% | 41% | 2% | 5% |
| <i>Employee's qualification administration</i> | 55% | 36% | 2% | 7% |
| <i>Education managing</i> | 53% | 32% | 5% | 11% |

Source: Own elaboration.

Table 8: Employees Education – As Consistent with Segments

| | <i>Personnel organ</i> | <i>Other organ</i> | <i>Outsourcing</i> | <i>Does not administer</i> |
|--|------------------------|--------------------|--------------------|----------------------------|
| Qualification requirements defining | | | | |
| SO | 46% | 38% | 4% | 12% |
| MSO | 58% | 42% | 0% | 0% |
| LO | 50% | 50% | 0% | 0% |
| Employee's qualification administration | | | | |
| SO | 52% | 32% | 0% | 16% |
| MSO | 58% | 38% | 4% | 0% |
| LO | 50% | 50% | 0% | 0% |
| Education managing | | | | |
| MO | 44% | 32% | 8% | 16% |
| SO | 62% | 27% | 4% | 8% |
| VO | 50% | 50% | 0% | 0% |

SO – small organisations, MSO – medium-sized organisations, LO – large organisations

Source: Own elaboration.

The sub process of remuneration and benefits at hotels is considered as one of the most significant ones because its suitable setting and realization has a direct influence on economic results of a hotel. As obvious from the Table 9, the influence of personnel officers on this sub process is in comparison with other sub processes very limited. At almost a half of hotels this matter is under the control of other organs, usually the finance manager organ or the general director/manager, however with the exception of the wages system creation (circa one tenth of respondents) this matter is not outsourced. Out of interest of the described research there were for example used methods used for the work analysis what is typically personnel activity which is possible and suitable to ensure via external suppliers who among others enable to carry out a comparison with surrounding environment. Even more remarkable there is the fact that an inconsiderable part of respondents does not deal this matter and their remuneration policy is not controlled.

Table 9: Remuneration and Benefits – Overall Results

| | <i>Personnel organ</i> | <i>Other organ</i> | <i>Outsourcing</i> | <i>Does not administer</i> |
|-------------------------------------|------------------------|--------------------|--------------------|----------------------------|
| <i>Wages system creation</i> | 44% | 41% | 9% | 6% |
| <i>Analysis and work assessment</i> | 52% | 41% | 0% | 7% |
| <i>Benefits system creation</i> | 47% | 45% | 0% | 7% |
| <i>Benefits administration</i> | 52% | 39% | 2% | 7% |

Source: Own elaboration.

As expected disappreciating of the activities connected with the remuneration system is more significant at small hotels, however very surprising is the fact that even at some of large hotels they do not consider important to deal work analysis which is a precondition for setting a rightful and incentive system of employee's remuneration (see the Table 10). Except one occurrence the hotels which offer their employees not only wages but employees benefit as well do not outsource personnel activities, it means to ensure it at the hand of services vouchers. The interviews with the respondents showed that the main reasons are represented by costs savings (fees to the companies which ensure these services) and the structure of provided benefits which are often oriented to own hotel services exploiting for overhead price or within the certain range for free.

Table 10: Remuneration and Benefits – As Consistent of Segments

| | <i>Personnel organ</i> | <i>Other organ</i> | <i>Outsourcing</i> | <i>Does not administer</i> |
|------------------------------|------------------------|--------------------|--------------------|----------------------------|
| Wages system creation | | | | |
| SO | 44% | 32% | 16% | 8% |
| MSO | 46% | 50% | 0% | 4% |
| LO | 40% | 40% | 20% | 0% |
| Analysis and work assessment | | | | |
| SO | 60% | 28% | 0% | 12% |
| MSO | 42% | 58% | 0% | 0% |
| LO | 60% | 20% | 0% | 20% |
| Benefits system creation | | | | |
| SO | 44% | 40% | 0% | 16% |
| MSO | 46% | 54% | 0% | 0% |
| LO | 67% | 33% | 0% | 0% |
| Benefits administration | | | | |
| SO | 48% | 36% | 0% | 16% |
| MSO | 54% | 42% | 4% | 0% |
| LO | 60% | 40% | 0% | 0% |

SO – small organisations, MSO – medium-sized organisations, LO – large organisations

Source: Own elaboration.

In the conclusion we focused on the estimation how many workers regardless of organizational embodying at hotels (except outsourcing) and at what extent they deal personnel activities. The Table 11 shows the average amount of converted duties related to the researched personnel activities. It is obvious that the above stated coefficient 1.1 FTE per 100 workers is not possible to convert mechanically according to the real amount of workers. Even at the smallest hotels at least 0.5 FTE has to deal the performance of personnel activities. A visible saving resulting from extension can be found at large hotels

where in several cases personnel activities are dealt by less capacity than it would correspond the merit of 1.1 FTE what is equal to the TREXIMA findings (2013). Quite interesting merits were found out at several medium-sized hotels where personnel activities are done by a disproportionately high capacity. According to our opinion it is also caused because of the fact that these hotels exploit the workers of the agreement to perform work and the agreement to complete a job, whereas especially administration activities connected with these workers employing, shifts planning and other related activities demanding more time than the work volume would be ensured by the full-time employees.

Table 11: Ensuring of Personnel Activities Performance

| <i>Type of organisation</i> | <i>Average amount of personnel officers</i> | <i>Average amount of workers</i> |
|-----------------------------|---|----------------------------------|
| SO | 1,45 | 14 |
| MSO | 2,26 | 67 |
| LO | 3,8 | 427 |

SO – small organisations, MSO – medium-sized organisations, LO – large organisations

Source: Own elaboration.

Discussion

As seen from the above stated tables, the most important conclusion of the stated research is represented by the fact that the amount of outsourcing of the personnel activities at the researched hotels appears at a very low level. According to the expectations the highest figures are reached by wages calculation where it is at circa the level of one third at small and medium-sized hotels (however zero value at large hotels). This fact is above all present thanks to the fact that since nineties the wages matters have been considered as a very complicated and specific issue (however temporary SW for the personnel management support helps to make it quite a routine issue) and thanks to the existence of huge amount of offer to provide this service by external pay clerks working in the self-employment form.

Another important matter of the fact is that personnel officers (personnel organs) share a big part of personnel activities with other organs of the hotels. In the field of personnel administration we can especially mention other „staff“ organisations organs, usually in economy department, within other sub processes (Recruitment, Human Resources development, Preparation and Education) the matter is often in the competence of line leading workers. It does not mean anything bad if these leading workers dispose of a sufficient competence (in terms of knowledge, abilities and skills) to be able to effectively manage preparation and realization development activities of their co-workers.

Last but not least an important finding is the fact that many personnel activities are not ensured at hotels at all and it is valid for some of large hotels. We especially speak about

the activities which are a part of „soft“ Human Resource matters, thus Human Resources development. Hotels owners and managers state very often that the employee's fluctuation is one of the problems that bothers them but these personnel activities have the highest potential to eliminate it. Naturally, right remuneration system and tangible motivation should not be absent either.

In the conclusion we have to review the matter of the amount of personnel officers. The research proved that even at small hotels there are needed relatively many workers dealing Human Resources matters. It derives from the situation that workers represent the key part for functioning and prosperity of organisations providing services, so hotels included. There is of course also visible the influence of duties extension within the field of personnel administration. This extension is regulated by generally binding legal enactments. On the contrary, in according to our opinions, the amount of workers dealing Human Resources management is also influenced by the fact that especially small and medium-sized hotels take advantage of the workers who are employed in the agreement to perform work or the agreement to complete a job form, whereas a crucial extension of personnel activities is dependent on physical amount of workers and not on full-time equivalent. At large hotels we can observe that there is visible extension saving when the amount of Human Resources managers (if a higher extension of activities ensured by them provided) per 100 workers is lower in comparison with small and medium-sized hotels.

Conclusion

This elaborated article focused on the matter of who and how ensures the process of personnel management and particular activities of its creation. By the help of questionnaire research and the interviews with respondents there were identified groups of hotels as consistent of their size determined by the amount of workers (full-time employees and workers performing in the agreement to perform work or the agreement to complete a job for). The most important results are displayed in the foregoing article part. In the conclusion there is needed to say that from the results of the whole research derives the fact that the level of importance (and following attention as well) which the management and eventually hotel owners devote to Human Resources management is very varied. Although the prosperity of a hotel is influenced by the services quality and this following by the quality of workers providing them, it is obvious that some managers consider Human Resources management as only a cost item. Consequently, the managers focus only on ensuring compulsory personnel administration. In any case the realized research raised other questions concerning for example the matter of how competent the workers ensuring personnel activities are, eventually why some, in light of theory (but practise of for example industry companies as well) significant, personnel activities are not in many hotels ensured at all. These matters of fact should be the subject of the follow-up research in the year 2016.

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INFORMATION PAPERS

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THE DEVELOPMENT OF TOURIST JOURNEYS IN GERMANY, AUSTRIA, POLAND, SLOVAKIA AND THE CZECH REPUBLIC

***Abstract:** The aim of the article is to provide an overview on the development of tourist journeys in the Czech Republic, Poland, Germany, Austria and Slovakia and to determine trends in their development. The article provides the development of tourism with regard to tourist journeys, which are analysed according to the purpose and lengths of stay. The reference periods are the years 2012, 2013 and 2014. In the introduction of the article, there is the concept of tourism set into a deeper context, followed by a classification of the literature on the topic and the selection of the most important publications on the topic. This is followed by the most important terminological clarification of terms. The data analysed related to tourist journeys in the article originate from the Czech Statistical Office, which provides statistics of Eurostat, allowing thus comparisons of statistical data in the European context. Based on the statistical data in the area of tourism, tourist journeys are analysed according to the purpose and lengths of stay, the obtained data are compared within analysed indicators in a selected European context.*

***Key words:** Austria, Germany, Poland, Slovakia, the Czech Republic, tourism, tourist journeys*

***JEL Classification:** ZS3*

Introduction

The tourism industry as an important part of the economy is on the one hand subject to social and political development, on the other hand it is affected by long-term trends. As stated by Besel and Hallerbach (2007, p. 159), the development of the tourist industry is driven by long-term trends and short-term fashion phenomena, just as this industry is dependent on the political and social events that have a direct impact on the consumer behavior of society. Tourism represents at the same time great hope particularly for the structurally weak regions, and therefore in many cases it is an important part of their development strategy (Lehmeier 2015, p. 309).

As mentioned by Freyer (2011, p. 9), travel finds itself now in Europe in an advanced stage and it is obvious that when discussing the human context of tourism it is somewhat difficult to assess whether the individual countries can talk about "world tourism" or just "local tourism".

If we want to put tourism into a larger spatial context, we must necessarily mention the effects of globalization trends. Globalization as a means of growth, product, or service affects different areas of human activity, it is therefore clear that even the tourism industry is subject to globalization tendencies (Petermann, 2004).

The cornerstones of tourism are tourist journeys, which can be examined from many aspects. In our paper we will narrow tourist journeys according to the purpose and lengths of stay in a selected sample of European countries such as Germany, Austria, Poland, Slovakia and the Czech Republic.

Professional literature on tourism

Professional literature for tourism is very extensive and has an interdisciplinary scope. The professional literature on tourism can be seen from different points of view, in particular, from the perspective of supporting scientific disciplines. We can apply, for example, the breakdown according to the following indicators:

- economic (Freyer, 2007; Volaufer, 2003; Palátková, 2014);
- marketing (Freyer, 2007; Slabá, 2012; Jakubíková, 2012);
- sociological (Pott, 2007; Hahn, 1993);
- geographical (Becker, 2002; Steinecke, 2006);
- cultural logic (Moritz, 2003; Lohmann, 1999; Henning, 1997);
- political (Mundt, 2012; Bobková, 2012; Tittelbachová, 2011);
- psychological (Moritz, 2003; Zschocke, 2005; Hahn, 1993);
- environmental (Abbey, 1996; Fiedler, 2008);
- ethical (Weibl, 2007);
- demographic (von Lanzener, Klemm, 2006);
- regional (Lehmeier, 2015);
- leisure (Muller, 1999); etc.

Our selected topic appears sporadically. For example, Slabá (2011) deals with the development of the attendance of the accommodation establishments in the time series in the period before and after the global financial and economic crisis from 2003 to 2010.

Material and methods

As in other countries, so also in the Czech Republic there are synonymous terms related to travel, such as tourism, touristry, travel industry and in common parlance are little

distinguished. In German the term is used as follows: Tourismus Touristik Fremdenverkehr. The German term Fremdenverkehr was used already in the 19th and 20th century and as the professional term.

In the Czech Republic the following terms are also used such as tourism, touristy, besides the notion of German Fremdenverkehr the concept of tourism is more in use. In accordance with the German equivalent of "Fremdenverkehr" this concept of tourism declines, which may be related to the connotation of a German word fremd, i.e. foreign associating thus mostly negative implications. The word tourism can be described as international word used in English (tourism), in French (tourisme), (turismo) in Italian and Spanish.

In the German environment the concept of tourism started to be used only after the 2nd World War II. Interesting is also the meaning of "Reiseverkehr" (in Czech) tourism. According to Freyer (2011, p. 8) it is possible to see the differences of the term tourism with other terms in the following connotations:

1. the transport and transport aspects of travel;
2. techno-logical aspects.

In the area of tourism Freyer ranks all aspects related to the lengths of the journeys and their organization in destinations.

In defining the concept of tourism based on Freyer, there are tourist journeys considered as constitutive elements of tourism, which he specifies further:

- by changing the location of persons by means of transport;
- stay in another place;
- motive to change a place.

If we go from the above classification of tourist journeys, we will restrict our article on the tourist journey with regard to lengths of stay and the motivation, i.e. the purpose of the stay.

The research deals with tourist journeys in the Czech Republic and Slovakia. Analysed data originate from the Czech Statistical Office, which provides statistics of Eurostat allowing thus comparisons of statistical data in the European context. As far as the statistical data in the area of tourism are concerned, we have just focused on tourist journeys, which we have analysed:

- According to the purpose;
- According to the lengths of stay.

As tourist journeys in the breakdown by purpose are meant all the tourist journeys of residents aged 15 years or more for the personal purpose or business, with at least one overnight stay. These journeys are specified as:

- personal journeys;
- holiday, leisure and recreation;

- visiting friends and relatives;
- other journeys including pilgrimages and health care;
- work and business trips.

Tourist journeys in the breakdown by lengths of stay are specified as follows:

- 1 and more overnight stays;
- 1-3 overnight stays;
- 4 or more overnight stays;
- 4-7 overnight stays;
- 8-14 overnight stays;
- 15-28 overnight stays;
- 29-91 overnight stays.

For the purposes of this article, we have restricted to the Czech Republic and Slovakia. The evaluation period covers the years 2012, 2013 and 2014. The older and more detailed statistics are not available within Eurostat, starting from the year 2012.

The aim of the research was to analyse these data mentioned above, evaluate their positive or negative connotations and search more determinants of these phenomena. In the context of the declared objectives, the following hypotheses were laid down, whose confirmation or refutation was the subject of the completed research:

- H1: tourist journeys are on the rise in total, according to the purpose from 2012.
- H2: as regards the breakdown by purpose personal journeys and trips made during holidays, leisure time and recreation dominate.
- H3: as regards the breakdown by lengths of stay shorter journeys prevail.

From the standpoint of the methodology of research in the first phase of implementation it was based on the searches of foreign and Czech literature, followed by their analysis and the analysis of the results of the investigation carried out by our own research according to the above mentioned aspects. In research, we use the method of analysis, synthesis and comparison.

Basic information about tourist journeys have been taken from the official Portal of the Czech Statistical Office, which provides statistics of Eurostat, allowing thus comparisons of statistical data in the European context. As regards the statistical data in the area of tourism, we have limited to tourist journeys, which we will analyse:

- According to the purpose;
- According to the lengths of stay;
- According to the destination.

For the purposes of this article, we will restrict to selected EU countries, Germany, Poland, Slovakia, Austria and the Czech Republic. In the evaluation of statistical data, we will limit

to the years 2012, 2013 and 2014, because from 2012 on more detailed data of European countries in the framework of the Eurostat are available.

Results

Tourist journeys according to the purpose

Tourist journeys, broken down by purpose (all tourist journeys of residents aged 15 years or more for the personal purpose or business, with at least 1 overnight stay).

In the reference sample of 5 countries in 2012, the highest number of tourist journeys shows Germany (247,523,986). In the second place is Poland (52,257,940), followed by the Czech Republic (32,858,426). Austria was placed after the Czech Republic, with the total number of tourist journeys (21,922,200). Slovakia has the smallest number of journeys (7,166,228).

Table 1: Tourist Journeys Broken Down by Purpose 2012

| Country | <i>A total of</i> | <i>Personal</i> | <i>Holiday free time recreation</i> | <i>Visiting friends and relatives</i> | <i>The other, pilgrimage, health care</i> | <i>Work, business</i> |
|----------------|-------------------|-----------------|-------------------------------------|---------------------------------------|---|-----------------------|
| Czech Republic | 32,858,426 | 31,406,312 | 19,222,585 | 11,374,177 | 809,550 | 1,452,114 |
| Germany | 247,523,986 | 199,765,991 | 114,200,500 | 49,093,294 | 6,472,197 | 47,757,995 |
| Poland | 52,257,940 | 45,393,594 | 23,558,767 | 17,140,289 | 4,694,538 | 6,864,366 |
| Austria | 21,922,200 | 18,001,628 | 13,501,353 | 3,601,624 | 898,651 | 3,920,572 |
| Slovakia | 7,166,228 | 5,569,134 | 3,553,156 | 1,502,857 | 913,121 | 1,197,094 |

Source: Czech Statistical Office

The same rank in the overall number of tourist journeys can be observed in the following years, 2013 and 2014. However, if we compare the evolution of the total number of journeys in the years 2012-2014 in individual countries, we may come to interesting results. In the Czech Republic the total number of journeys in 2013 decreased by 1,578,310 journeys, in 2014 the overall number of paths once again increased by 165,801, however the status of 2012 was not reached.

In Germany the number of journeys increased overall in 2013 by 1,058,032 journeys, on the other hand, in 2014 the number of journeys overall was lower than in the year 2012 and dropped to 236,909,947. A similar situation could be recorded also in Poland. The total number of journeys from 52,257,940 in 2012 rose to 52,493,779 in 2013, but again in 2014 fell to 48,629,803. In Slovakia it is possible to follow this same trend. The total number of

paths in 2012 fell from 7,166,228 to 6,894,459 in 2013, which represents a decline of about 271,769 journeys. Statistical data from the year 2014 are not available. Also in Austria, there was an increase in the total number of journeys from 898,651 in 2012 to 1,585,638 in 2013, yet in 2014 there was a drop of the total number of journeys to the lowest value at all, which is 558,419 being the most striking decline in the reporting countries.

If we consider tourist journeys in the breakdown by purpose, personal, holiday, leisure time and recreation journeys predominate in quantitative terms. This trend could be observed in all countries and in all the years (see Table 2).

Table 2: Tourist Journeys Broken Down by Purpose 2013

| <i>Country</i> | <i>A total of</i> | <i>Personal</i> | <i>Holiday free time recreation</i> | <i>Visiting friends and relatives</i> | <i>The other, pilgrimage, health care</i> | <i>Work, business</i> |
|----------------|-------------------|-----------------|-------------------------------------|---------------------------------------|---|-----------------------|
| Czech Republic | 31,280,116 | 29,608,213 | 17,383,492 | 11,506,127 | 718,595 | 1,671,902 |
| Germany | 248,582,018 | 207,226,639 | 118,966,972 | 79,640,011 | 8,619,655 | 41,355,380 |
| Poland | 52,493,779 | 47,381,735 | 30,277,246 | 13,947,070 | 3,157,419 | 5,112,044 |
| Austria | 22,401,228 | 18,239,891 | 13,088,034 | 3,566,219 | 1,585,638 | 4,161,337 |
| Slovakia | 6,894,459 (b) | 5,733,000 (b) | 3,723,238 (b) | 1,630,221 b | 379,541 (b) | 1,161,459 (b) |

Source: Czech Statistical Office

When monitoring personal journeys in the individual countries in the years 2012, 2013 and 2014, the development in the individual countries is different. In the Czech Republic the number of personal journeys decreased from the 31,406,312 in 2012 to 29,608,213 in 2013, again in 2014 the number of personal journeys increased to 31,442,035. In Germany the number of journeys has a distinct tendency, from the original number of journeys from 199,765,991 2012 2013 it rose to 207,226,639, in 2014, Germany experienced a decline in personal journeys to 197,188,861. A similar development is also registered in Poland. Out of 45,393,594 personal journeys in 2012, there was an increase in personal journeys in 2013 to 47,381,735 and again in 2014 it fell to 46,601,121. The only country with which there was an increase in personal journeys from 2012 is Austria. Out of original 18,001,628 personal journeys in 2012, this number increased to 18,239,891 in 2013 and in 2014 the number rose again to 18,340,796. Statistical data on personal journeys to Slovakia in the year 2014 is not available, only the data from 2012 and 2013, when there was an increase in these journeys from original 5,569,134 in 2012 to 5,733,000 in 2013. See Table 3.

Table 3: Tourist Journeys in the Breakdown by Purpose of Travel 2014

| <i>Country</i> | <i>A total of</i> | <i>Personal</i> | <i>Holiday free time recreation</i> | <i>Visiting friends and relatives</i> | <i>The other, pilgrimage, health care</i> | <i>Work, business</i> |
|----------------|-------------------|------------------|-------------------------------------|---------------------------------------|---|-----------------------|
| Czech Republic | 32,692,625 | 31,442,035 | 17,850,044 | 12,956,258 | 635,733 | 1,250,590 |
| Germany | 236,909,947 | 197,188,861 | 112,612,934 | 76,914,580 | 7,661,347 | 39,721,086 |
| Poland | 48,629,803 b | 46,601,121 (b) | 20,162,229 (b) | 31,109,293 b | 3,109,293 b | 2,028,682 b |
| Austria | 22,470,237 | 18,340,796 | 13,664,322 | 4,118,055 | 558,419 | 4,129,440 |
| Slovakia | is not available | is not available | is not available | is not available | is not available | is not available |

Source: Czech Statistical Office

We registered the largest number of journeys broken down by purpose for personal journeys, followed by the journeys on holiday, leisure time and recreation, after these there are journeys the purpose of visiting friends and relatives.

The smallest number of journeys are referred to as the other journeys, which include pilgrimages and different health care. The percentage of the total number of journeys provides the following overview table covering the years 2012, 2013 and 2014.

Special groups consist of a work and business trips. The least the number of journeys of this kind can be found in 2012 and 2013 in Slovakia and the Czech Republic. Interesting is the development of these journeys in the period from 2012 to 2014. In the Czech Republic the number of journeys increased in 2013 from 1,452,114 from 2012 to 1,671,902, in the next 2014, however, the number of these journeys again significantly fell to 1,250,590 and did not reach the level even of 2012. The same can be recorded with these journeys also in Germany, Poland, Austria and Slovakia, the figures for Slovakia, however, are available only for 2012 and 2013, 2014 is not available.

Table 4: The Share of Journeys in the Total Number of Tourist Journeys

| <i>Country</i> | <i>The year 2012</i> | <i>The year 2013</i> | <i>The year 2014</i> |
|----------------|----------------------|----------------------|----------------------|
| Czech Republic | 2.46% | 2.29% | 1.94% |
| Germany | 2.61% | 3.46% | 3.23% |
| Poland | 8.98% | 6.01% | 6.39% |
| Austria | 4.10% | 7.08% | 2.49% |
| Slovakia | 12.74% | 5.51% | – |

Source: Czech Statistical Office, own processing

From the above table is evident that the share of other journeys in the total number of journeys is relatively low in the Czech Republic and in Germany. In the Czech Republic, this share was in the years 2012-2013, in the range of 2.46% in 2012 up to 1.94% in 2014. The Czech Republic is the only one of the monitored countries, where as regards the development there is a decline in the share of the total number of journeys.

Interesting is the development e.g. in Austria, where the original share of these journeys in 2012 increased from original 4.10% in 2013 to 7.08%. In 2014, then it fell again to 2.49%.

Data from the year 2014 suggest that the share of other journeys on the total number of paths in these countries varies between 1.94% to 6.39%, with the lowest share of other journeys on the total number of paths has the Czech Republic, followed by Austria and Germany and the highest proportion of these paths is Poland. The comparison of data from the 2012 and 2014 can be concluded that the decrease in the share of other journeys on the total number of paths has been in the Czech Republic, Poland and Austria. In Germany, by contrast, will share these paths on the total number of paths in comparison with the year 2014.

The results

Tourist journeys, in the breakdown by lengths of stay

In all the reporting countries in 2012 tourist journeys with 1 or more overnight stays dominate, which have the highest number of overnight stays, compared with stays between 1-3 days 4 and more 4-7, 8-14, 15-28 days and 29-91 days. Also tourist journeys for 1-3 days enjoy great popularity, however, it should be noted that their number is significantly lower than for 1 and more overnight stays.

Table 5: Tourist Journeys in the Breakdown by Lengths of Stay, 2012

| <i>Country</i> | <i>1 or more overnight stay</i> | <i>1-3</i> | <i>4 and more</i> | <i>4-7</i> | <i>8-14</i> | <i>15-28</i> |
|----------------|---------------------------------|-------------|-------------------|------------|-------------|--------------|
| Czech Republic | 32,858,426 | 20,834,411 | 12,024,015 | 8,302,532 | 3,002,532 | 699,105 |
| Germany | 247,523,986 | 135,085,385 | 112,438,000 | 69,653,495 | 33,521,205 | 7,483,316 |
| Austria | 21,922,200 | 11,668,018 | 10,254,182 | 4,424,533 | 2,062,165 | 602,872 |
| Poland | 52,257,940 | 29,758,248 | 22,499,692 | 13,077,257 | 7,187,555 | 1,421,334 |
| Slovakia | 7,166,228 | 3,255,258 | 3,910,970 | 2,654,437 | 935,359 | 242,245 |

Source: Czech Statistical Office

Also in 2013, it is possible to record the same trend. For an overnight stay for 1-3 days we must conclude that the increase in the number of overnight stays for 1 or more days, compared to the year 2012 grew only in Germany from 247,523,986 to 248,582,018 in 2013, in Austria from 21,922,200 to 22,401,228 and in Poland from 52,257,940 to

52,493,779. In the Czech Republic the number of overnight stays decreased from 32,858,426 to 31,280,116 and in Slovakia from 7,166,228 to 6,894,459. Also, for an overnight stay for one to three days it is not the same in the reporting countries. The decrease in the number of overnight stays occurred in the Czech Republic from 20,834,411 to 19,678,829, in Germany from 135,085,385 to 132,710,587 and in Poland from 29,758,248 to 27,853,492. On the contrary, an increase in the overnight stay is evident in Austria from 11,668,018 to 12,364,577 and in Slovakia from 3,255,258 to 3,856,133.

Table 6: Tourist Journeys in the Breakdown by Lengths of Stay, 2013

| Country | 1 or more overnight stay | 1-3 | 4 and more | 4-7 | 8-14 | 15 – 28 |
|----------------|--------------------------|-------------|-------------|------------|------------|-----------|
| Czech Republic | 31,280,116 | 19,678,829 | 11,601,287 | 7,646,789 | 3,122,418 | 679,870 |
| Germany | 248,582,018 | 132,710,587 | 115,871,432 | 70,552,947 | 33,027,355 | 9,967,288 |
| Austria | 22,401,228 | 12,364,577 | 10,036,650 | 7,098,760 | 2,089,791 | 698,117 |
| Poland | 52,493,779 | 27,853,492 | 24,640,287 | 12,647,546 | 10,333,805 | 1,079,901 |
| Slovakia | 6,894,459★ | 3,856,133★ | 3,038,326 | 1,996,522★ | 895,018★ | 88,449★ |

Source: Czech Statistical Office

Table 7: Tourist Journeys in the Breakdown by Lengths of Stay, 2014

| Country | 1 or more overnight stay | 1-3 | 4 and more | 4-7 | 8-14 | 15-28 |
|----------------|--------------------------|-------------|-------------|------------|------------|-----------|
| Czech Republic | 32,692,625 | 20,674,834 | 12,017,790 | 848,094 ř | 2,664,042 | 693,934 |
| Germany | 236,909,947 | 122,241,732 | 114,668,215 | 67,419,497 | 35,051,598 | 9,662,729 |
| Austria | 22,470,237 | 12,633,062 | 9,837,175 | 6,806,293 | 2,131,381 | 715,772 |
| Poland | 48,629,803 | 25,275,706 | 23,354,096 | 13,625,978 | 7,183,580 | 1,647,911 |
| Slovakia | ☒ | ☒ | ☒ | ☒ | ☒ | ☒ |

Source: Czech Statistical Office

☒ are not available

⊙ unreliable data

★ broken series

Discussion

Hypothesis 1 regarding tourist journeys in total from 2012 in the breakdown by purpose is on the rise, could be for the selected sample of countries clearly confirmed, since the only country where there was an increase in the breakdown by purpose, was Austria. Hypothesis

2 regarding the breakdown according to the purpose of personal journeys and journeys intended for holidays, leisure time and recreation could be clearly confirmed. Hypothesis 3, regarding the fact that in the breakdown of tourist journeys according to lengths of stay shorter journeys prevail, could be also clearly confirmed.

Conclusion

The results of the analysed data provide important information for the tourist industry. The quantitative calculation of the of individual indicators helps actors of tourism better understand its patterns, better anticipate and plan for each activity in accordance with long-term or short-term trends.

The development of the tourist industry is hardly predictable, since it is influenced by many factors, in addition to the economic factors we can nowadays highlight in particular the psychological and political factors in the context of the increasing threats of terrorist attacks and feelings of insecurity, etc. We can, however, assume that tourism will remain an important social and economic factor in the future.

In connection with the above mentioned risks we can also assume next to the tendency to globalization of the tourist industry also regionalization, which means the strengthening and promotion of domestic tourism. This is related to the diversification of tourist journeys in the context of the purpose and lengths of stay.

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Zuzana Jurigová, Zuzana Tučková

EUROPEAN CULTURAL ROUTES AS A TOURIST PHENOMENON

***Abstract:** This paper is primarily focused on the European Cultural Routes of Saints Cyril and Methodius which is a project currently being brought to life through the combined efforts of the Zlín Region and the East-Moravian Tourist Authority. A description is given of cultural tourism and pilgrimage tourism with an emphasis on pilgrimage routes. An insight is subsequently given into the proposed cultural route of the Council of Europe, the European Cultural Routes of Saints Cyril and Methodius. The purpose of the study is to analyse the concept behind the proposed route(s), the development and implementation stages thereof and in where future interest lies.*

***Key words:** Czech Republic, cultural route, Europe, Saints Cyril and Methodius, Slovakia, tourism*

***JEL Classification:** O,R,Z*

Introduction

The latest trend within the tourism industry has been the growing interest in cultural routes. The phenomenon in the last few years has been driven by the intense interest of tourists. Countries around the world, including the Czech Republic, have noticed the strong power of their historical, cultural and also religious roots which have started to attract and stimulate tourism.

Cultural tourism

When talking about cultural routes, it is vital to mention cultural tourism in general because culture is perceived as one of the main driving forces that supports tourism. According to Vitáková (2007), those tourists who visit historical sites, cultural monuments and religious sites are perceived as cultural tourists. Cultural activities are profitable for several reasons. Most of all it develops the skills of individuals, supports solidarity and social integration and expresses cultural diversity (Ministry of Culture, 2008). Not only does it contribute to macroeconomic factors like employment and gross domestic product, but it also revives destinations in terms of its history and nature. Another reason why cultural tourism is of vital importance is its mutual dependence. Endresen (1999) states that “while cultural heritage creates a foundation for tourism’s growth, tourism has the power to generate funds that make conservation possible.” In Europe, cultural tourism accounts for 40% of all tourism activities (Council of Europe, n.d.). Although cultural tourism is a broad theme

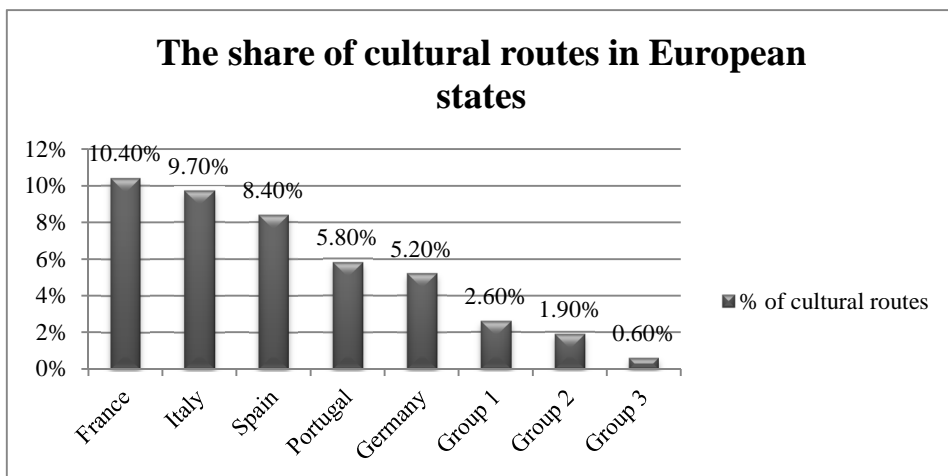
which involves many components, this paper focuses on one current phenomenon of cultural tourism, cultural routes.

Cultural routes

Throughout history people have travelled from place to place for various reasons. As they did so they left their marks along those routes. Other people and tourists have subsequently followed in their footsteps. The stories behind, and the connections to, these historically important routes have recently been taken up and used as a promotional tool for the development of a new tourism marketing product, namely cultural routes. The network of routes started to be explored by tourists in order to understand their historical background and to feel the *genius loci*. This is a world phenomenon. A popular example is the Santiago de Compostela route. The success thereof has motivated Czech regions and cities to create their own cultural routes on a European level. The importance of such cultural routes is emphasized by various world renowned institutions such as the Council of Europe, the European Commission (2014) and the WTO (2004), as well as authors such as Chairatudomkul (2008) and Martorell (2003).

The term “cultural route” is officially based on the Council of Europe definition which was formulated in 1987. It describes a cultural route as being a route that crosses one or two countries or regions. Moreover, it must share a historical, artistic or social theme or character at a European level (Council of Europe, 2013). According to Antonio Tajani, European Commissioner, cultural routes contribute to the uniqueness of a region and broaden the diversity of supply within the European tourism sector (Council of Europe, 2014). The added value of cultural routes to a tourist region is in their ability to multiply the awareness of and in European heritage and identity through historical sites and personalities. Martorell (2003) perceives cultural routes as “a way of understanding cultural heritage from a wider dimension that combines tangible and intangible elements and essentially emphasizes the key human factor.” In Europe, 33 cultural routes have been officially recognized and certified as European Cultural Routes. In a study carried out by the European Commission, entitled “The Impact of European Cultural Routes on SME’s Innovation and Competitiveness”, the proportion of cultural routes in individual European states were expressed as a share of the total number of recognized cultural routes around the world. This is presented in Figure 1.

Figure 1: The Share of Cultural Routes in European States



Source: Own procession based on data presented by European Commission, 2014.

The biggest share of cultural routes within Europe lie in France (10.4 %), followed by Italy and Spain. Group 1 includes Belgium, the Czech Republic, Greece, Norway, Poland, Sweden and Switzerland. Group 2 includes Algeria, Austria, Croatia, Cyprus, Lebanon, Morocco, the Netherlands, Slovenia and Tunisia. Group 3 includes Albania, Argentina, Armenia, Azerbaijan, Belarus, Bulgaria, Denmark, Estonia, Jordan, Lithuania, Malta, Romania, the Russian Federation, Serbia, Slovakia, Syria, Turkey and Ukraine. These three groups only represent a small percentage of the share of cultural routes, but offer some of greatest potential as future tourism products. (European Commission, 2014)

Pilgrimage tourism

Some of the aforementioned cultural routes are of religious origin. Tourists visit these places in order to worship their God, to cleanse their souls, to be forgiven their sins, or to simply take in the atmosphere and enjoy the peace and quiet. In the last few years, pilgrimage tourism has become increasingly widespread throughout the world. In 2013, the best known European cultural route, Santiago de Compostela, was travelled by 215,880 pilgrims. According to Rekke (2014), 87.17 % of pilgrims travelled the route by foot, 12.34 % by bicycle and 0.45 % rode on horseback. The core of this type of tourism lies in visiting places and sites with a religious and/or spiritual context. The aspects to pilgrimage tourism vary based on the tourist's motivation. It can either be a spiritual aspect related to a tourist's faith, or an aspect of cultural tourism in which the tourist's interest is purely in the historical and cultural monuments and sites without any specific spiritual value. Statistical data on pilgrimage tourism are difficult to collate, however some national offices dispose of approximate data regarding visitor numbers. The vague character of the statistical data is confirmed by Vukonić (1998, p. 86) who states that "statistical data are insufficient and not

readily available”. Stoddard (1994, p. 19) adds that there really is a lack of data with “no universally collected figures on pilgrimages” and if they existed, “the methods of defining and counting pilgrims” would vary from one set of statistical data to another. Even though no concrete method exists for collating statistics on the numbers of pilgrims, a few estimations are available.

According to the World Religious Association (2011), 300 million tourists worldwide have participated in pilgrimage tourism. Table 1 presents the number of visitors to the world’s most famous religious tourist destinations in 2011.

Table 1: The Number of Visitors to Selected Religious Tourist Destinations in 2011

| <i>Pilgrimage site</i> | <i>City</i> | <i>Religion</i> | <i>Number of pilgrims</i> |
|------------------------------|---------------------|------------------|---------------------------|
| Ayyappan Saranam | India | Hindu | 30 million |
| Our Lady of Guadalupe | Mexico | Christian | 20 million |
| River Ganges | India | Hindu | 10 million |
| Western Wall | Jerusalem, Israel | Jewish/Christian | 6 million |
| The Vatican | Vatican City | Christian | 5,5 million |
| Fatima | Portugal | Christian | 4-5 million |
| Mecca | Saudi Arabia | Islamic | 3 million |
| Shaolin Temple | Zhengzhou, China | Buddhist | 3 million |
| Church of the Holy Sepulchre | Jerusalem, Israel | Christian | 1 million |
| Jasna Gora monastery | Czestochowa, Poland | Roman Catholic | 5 million |
| Lourdes | France | Christian | 4 million |
| El Rocío | Cadiz, Spain | Roman Catholic | 1 million |
| Santiago de Compostela | Galicia, Spain | Christian | 180,000 |

Source: Own processionbased on Green Pilgrimage Network (n.d.).

The high number of pilgrims i.e. tourists, verifies the enormous potential of pilgrimage tourism worldwide. In combination with cultural and historical themes that connect one country with another, cultural routes are predisposed to become an important part of a strong tourism future.

Within this context, the European Cultural Routes of Saints Cyril and Methodius which runs through the Czech Republic combines all the aforementioned historical, cultural and religious aspects.

Materials and Methods

The aim of this paper is to analyse the importance of the concept of pilgrimage tourism and cultural routes using the example of the European Cultural Routes of Saints Cyril and Methodius. The lack of a universal method for measuring the number of pilgrims on routes implies the need to utilize alternative research methods. The first of the three research methods utilized for this paper was a literature review of scientific sources. This review was carried out in order to better understand the topic. The results of the literature review were further supported with an interview with a representative from the Permanent Secretariat of the Association of the European Cultural Routes of Saints Cyril and Methodius. The secretariat is the only one of its kind that deals with cultural routes in the Czech Republic. It is responsible for introducing new information on and developing the future concept of these routes. The interview was in the form of a structured face-to-face interview with pre-prepared questions. Finally, a questionnaire survey was carried out to identify tourist's potential interest in the extended cultural route that runs from Blatnice pod Svatým Antonínkem (in the Czech Republic) to Šaštín (in Slovakia). The research group for the survey was made up of 84 respondents drawn from different Slovak and Czech regions. The majority of the respondents were 18-30 years of age and 30-60 years of age. The questionnaire, in written form, was distributed among the respondents by email or personally by hand. The purpose of the questionnaire was to determine whether there is sufficient interest in extending the existing Czech route into Slovakia in order to keep the legacy of Saints Cyril and Methodius alive.

Results

In general, cultural routes are designed as a network of cities and regions which interconnect historically significant places of certain importance and raise awareness of their cultural heritage. In the Czech Republic, the further development of the European Cultural Routes of Saints Cyril and Methodius (further referred to as ECRSCM) has been identified as a priority by the Zlín Region and the East-Moravian Tourist Authority. The aim is to capture the authenticity of the historical and cultural heritage associated with the legacy of the two Thessaloniki brothers, Cyril and Methodius. To achieve this, the two authorities wish to create a certified cultural route that is both unique and exceptional in the Czech Republic and which would fall under the program Cultural Routes of the Council of Europe. The European Institute of Cultural Routes, which is the executive body for the program Cultural Routes of the Council of Europe, annually organizes a seminar for managers of already certified and candidate cultural routes. After participation in this seminar, the proposed cultural route was awarded the official status of Candidate Cultural Route of the Council of Europe.

When the certification process is completed, the route will be added to the 33 already existing European cultural routes with their unique legacy and historical heritage. As of November 2015, the ECRSCM involves 16 members from 5 European countries. Future plans assume that the ECRSCM project will integrate members drawn from more than 10 states because the route passes through several European states over its 7,500 km length. The current regular members from the Czech Republic include the Zlín Region, East-Moravian Tourist Authority, South Moravia Region, Moravia-Silesia Region, Olomouc Region, Tourist Authority-South Moravia. Foreign members include the Nitra Region (Slovakia), Trenčín Region (Slovakia), Nitra Tourist Board (Slovakia), Camminid' Europas.cons.r.l.(Italy), City of Ohrid (Macedonia), City of Thessaloniki (Greece), Institute of Archaeology, SAS (Slovakia), Municipality of Mocenek (Slovakia), University of Constantine the Philosopher (Slovakia) and one associated member The Zobor Embellishing Association (Slovakia). (Cyril and Methodius Route, 2015)

In order to achieve the aims of the ECRSCM project, activities in five defined areas must be fulfilled (drawn from internal documents of the Permanent Secretariat of ECRSCM, 2016):

- Cooperation in research and development;
- Strengthening consciousness, history and European cultural heritage;
- Cultural and educational exchange of young Europeans;
- Current cultural and artistic practices;
- Cultural tourism and sustainable development of culture.

The development of pilgrimage tourism through the establishment of the ECRSCM project is only a part of these five activities.

The beginnings of ECRSCM

The first mention of the ECRSCM project was recorded in 2011. Table 2 shows the historical development and progress of the creation of the first planned European cultural route in the Czech Republic at the time.

Table 2: Summary of ECRSCM Project Activities

| <i>Year</i> | <i>Activity</i> |
|-------------|--|
| 2008 | Creation of the first integrated product offer for religious tourism |
| 2011 | Zlín Region and the East-Moravian Tourist Authority became members of Camminid' Europa |
| 2011 | First thoughts on the establishment of the Cultural Routes of Saints Cyril and Methodius |
| 2012 | First International Conference on ECRSCM in Modrá, Czech Republic |

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|-----------|--|
| 2012-2014 | Participation of Zlín Region in the CERTESS transnational project on European cultural routes |
| 2013 | Celebration of the 1150 th anniversary of Cyril and Methodius in the Czech Republic, Slovakia and other European countries |
| 2013 | Second International Conference on ECRSCM in Velehrad, Czech Republic |
| 2013 | Launch of the Permanent Secretariat of the Association of the ECRSCM in Zlín |
| 2014 | Approval of the logo for the Cyril and Methodius Route by the Council of the Zlín Region |
| 2014 | The ECRSCM projects gains an international and European character due to the accession of members from Slovakia, Italy and the former Yugoslavian Republic of Macedonia |
| 2014 | Third International Conference on ECRSCM in Staré Město, Czech Republic |
| 2014 | Presentation of ECRSM in Strasbourg in December |
| 2015 | Implementation of the project "Cyril and Methodius - the authentic story of our country" |
| 2015 | "European Cultural Routes of Saints Cyril and Methodius" travelling exhibition – Moravian Museum in Brno; at the "Nitra Milá Nitra" celebrations; the Senate of the Czech Republic. |
| 2015 | Submission of project application "HOLI-SPACE" into the Interreg Central Europe Program. |
| 2015 | Involvement in preparations by the Zlín Region for the project "Pilgrimage Routes of Saints Cyril and Methodius, route II" within the Interreg V-A program. |
| 2015 | Preparation of the project plan "Partnership and active institutional networks as a basis for the effective management and creation of the Cyril and Methodius Route in the Moravian-Slovak border areas." |
| 2015 | Submission of project application "Route2Roots - Following in the footsteps of ancient countries in the Danube region. Returning to its roots in search of a common identity, culture and history as a necessary assumption for the preservation of common values) |
| 2015 | Session of the Regular and Extraordinary General Meeting of the Association of the ECRSCM; establishment of the Steering and Academic Committees of the Association. |
| 2015 | Fourth Annual Conference of the Association of the ECRSCM on the "Development activities of the Cyril and Methodius Cultural Route" |
| 2015 | Presentation by the Association of the ECRSCM within the framework of the Cyril and Methodius and Pribina celebrations in Nitra (Nitra Milá Nitra) |
| 2015 | Participation in a workshop for project managers of certified and candidate cultural routes organized by the European Institute of Cultural Routes |
| 2015 | Granting of the status "Candidate Cultural Route of the Council of Europe" |

| | |
|------|---|
| 2015 | Presentation to mayors and cultural institutions on the European Cultural Routes of Saints Cyril and Methodius in Trenčín |
| 2015 | Creation of the calendar of events for 2016 with regards to the European Cultural Routes of Saints Cyril and Methodius |
| 2015 | Creation of the Action Plan 2016 for the European Cultural Routes of Saints Cyril and Methodius |

Source: Own procession based on internal documents of the Permanent Secretariat of the Association of the ECRSCM, Zlín (2015).

It is clear that the cultural route is not only of interest to the Czech Republic, but also to other European states through which it crosses and in which Saints Cyril and Methodius made an impact. In 2015, the main instigators of the project, the Zlín Region and the East-Moravian Tourist Authority, set up an implementation plan which is divided into two phases. The medium term development strategy, which covers the period 2015-2020, foresees the marking out of the route between Rome - Velehrad - Thessaloniki. The long term development strategy will focus on developing the route to other foreign countries such as Russia, Germany, the countries of the Benelux and others (internal source: product strategy of the European Cultural Routes of Saints Cyril and Methodius). Over the longer term the main aim of the instigators is to extend the route and connect all the historically important places associated with Saints Cyril and Methodius.

The plans for the entire ECRSCM project are centred around three main trails as depicted in the map in Appendix 1.

The European character and theme of the cultural route determines the potential it might have in the future. To support this, the instigators of the project are currently endeavouring to build routes with this theme throughout the Czech and Slovak Republics - one of the main centres of Saints Cyril and Methodius' influence. Future plans will include interconnecting other important places in Europe with the historical legacy of the brothers. Despite the current endeavours of the instigators there is still a "lack of development in the whole project, which can be seen in the insufficient institutional structure and linking to relevant stakeholders in order to develop the route on the basis of the "bottom-up" principle so that it brings the necessary improvements to the Moravian-Slovak border area." (Cyril and Methodius Route, 2015)

Extending the ECRSCM to Slovakia

In 2008, the very first pilgrimage route in the Czech Republic was inaugurated by the Svatý Hostýn Foundation and the Velehrad Foundation. Two years later, another two routes were officially established, marked out and promoted through brochures. The routes run from Svatý Hostýn to Svatý Kopeček and from Svatý Antonín to Velehrad. Unfortunately, the route signs were unsustainable due to effects of adverse temperature conditions on them and vandalism. As a consequence, the Zlín Region and both foundations made an

agreement on restoring and maintaining the cultural routes and the possible extension thereof into Slovakia. As a result, the Zlín Region applied for funding for three micro-projects to fund cross-border cooperation. The first project to be completed registered documents and collated information about the routes and historical sites and services in certain areas. It also included the alignment of perceived existing routes with the routing of new sections of the cultural route leading to Šaštín (Slovakia). A new manual for marking the routes was launched with the alignment of routes in mind. The last phase of the first project included the placement of information panels and associated documentation. The second project, which sought funding for additional route marking and the installation of information panels was not successful. Project managers will be submitting a new application with upgraded project requirements as part of bid in a new funding round. The third project secured funding for marketing activities, website development and the publication of a pilgrimage tourist guide.

Due to the favourable geographical position of the Czech Republic and Slovakia, the potential to extend the route to other states was immediately clear. In this regard, the proximity of the Zlín Region and the Olomouc Region to the Slovak border provided an opportunity to extend the route to the Trnava Region in Slovakia. The proposed extension would run from Blatnice pod Svatým Antonínkem (in the Czech Republic) to Šaštín (in Slovakia). The proposed extension went through a number of stages. Firstly, people's interest in visiting or travelling the route was gauged. The interest in extending the European Cultural Routes of Saints Cyril and Methodius to Slovakia was gauged on a group of 84 respondents from different Slovak and Czech regions. The questionnaire method confirmed that 85 % of respondents were interested in extending the route to Slovakia. As this route will be a part of a route that connects to a route from Velehrad, 54 % of respondents gave a positive answer to already having visited Velehrad and the sites which surround it. This suggests that the general public appreciate this sacral sight. The motivation for 42 % of respondents for visiting or travelling the cultural route was religious and cultural, for 27 % of respondents it was because of the sacral sites along the route, and 24 % of respondents simply out of touristic interest. The remaining 7 % would visit the place with no concrete reason or goal (Jurigová, 2013). This primary research has been used for the visualization and geographical depiction of the planned route in the terrain.

Financing of extended ECRSCM route to Slovakia

The interest of people in the extension of the route to Slovakia ensured the project started to be implemented with the help of European funds. The extension of the ECRSCM route to Slovakia is only one piece in the big mosaic that is the ECRSCM. The financial support described only refers to this extension. For the first project, as described above (i.e. document registration, collation of information and routing), the Council of the Zlín Region approved financial support to the amount of €20,817.96, of which 85 % (i.e. €17,695.25) came from the European Fund for Regional Development within the Cross-border Cooperation Program between the Slovak Republic and the Czech Republic for the period

2007-2013. The remaining 15 % (i.e. €3,122.71) was financed by the Zlín Region. The financial support from both sources will be used for non-financial activities connected with the ECRSCM. The activities will include the marking of the route, from Svatý Antonín through to Mikulčice (in the Czech Republic) to the Slovak border towns of Kopčany, Gbely and Šaštín, and a manual for marking routes. As previously stated, the funding application for the second micro-project was unsuccessful. The project, entitled “The pilgrimage routes of Saints Cyril and Methodius, realization” initially required €35,298.37 on the basis of a similar distribution of funds between the Zlín Region (15 %) and European funds (85 %). An upgraded application is currently under preparation and includes different financial means and is supplemented with additional new routes. It must be noted that because it is not a complementary project, the funds can support only activities on the Czech side of the project. The third project (i.e. marketing, website creation, etc.) received funds to the amount of €19,959.91, of which €16,095.00 from European funds and €1,019.31 from the Zlín Region.

Conclusion

In the past few years, the dependence of tourism on cultural heritage has been very strong. This interdependence is prosperous also due to the world’s cultural and national heritage, such as those sites that are listed by UNESCO or natural attractions which are unique to a particular country. This dependency also relies on history, culture and religion. These dependencies enable the creation of cultural routes as a unique tourism product.

The growing popularity of cultural routes is a current trend within the cultural tourism sector. It is a potentially significant area of interest in major European tourist destinations, including the Czech Republic. In general, European cultural routes connect the historical routes of each state in order to preserve some common legacy for future generations. One such common legacy is in the form of Saints Cyril and Methodius who brought their message to many European states, of which the Czech and Slovak Republic were the epicentre. In addition to the Czech Republic and Slovakia, there are also other candidate states with their own historical legacies linked to the two saints. The European Cultural Routes of Saints Cyril and Methodius therefore currently consist of a network of 16 members drawn from 5 countries, with potential to expand its membership further in the future. This paper only described a part of the ECRSCM project, in particular the extension of the route into Slovakia.

The representative of the Permanent Secretariat of the Association of the European Cultural Routes of Saints Cyril and Methodius has confirmed that all routes that make up the ECRSCM in the Czech Republic have been traced, however not physically marked. New projects are currently under preparation to resolve this issue. On 20th August 2015, a meeting with the Czech Tourist Club and Slovak Tourist Club took place in order to discuss the marking of existing hiking and cycle trails along the extended route to Slovakia (European Cultural Routes of Saints Cyril and Methodius, 2015). At the end of 2015, final

proposals for the planned route at the border of Czech Republic and Slovakia were put forward.

The outcomes of the research outlined in this paper with regards to the extension of the ECRSCM route to Slovakia have been used by the authorities to determine real project characteristics.

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Appendix2: Three main trails of the European Cultural Routes of Saints Cyril and Methodius



Source: Cyril and Methodius Route, 2015.

Ádám Köbli, Zoltán Horváth

THE STUDY OF POSSIBILITIES OF CO-OPERATION IN TOURISM ON THE BASES OF TWO HUNGARIAN SPA TOWNS

***Abstract:** Hévíz and Keszthely are two neighbouring settlements lying in the western basin of Lake Balaton, within the territory of the Western Transdanubian Region. Long since, they play an outstanding role in Hungarian tourism. Although they are only a few kilometres away from each other, their tourism supply is completely different. This difference necessarily affects their development and their economic and social structures as well. In our study we are going to present the most important elements of their relationship, the possible ways of co-operation and the factors restricting it.*

***Key words:** cooperation possibilities, health tourism, Hévíz, Keszthely, spa towns, tourism management*

***JEL Classification:** L83, Q01*

Introduction

Tourism is a complex activity evolving from the synergic effect of the units of several sectors. At the same time due to its complexity it is quite vulnerable; therefore to its long term operation conscious developments are needed. The base of development strategy is the same as the pillars of sustainable development which defines and plans in complex systems. The complex system of a micro-region or town is dynamically stable, thus it is flexible and relatively independent. But it is subjected to conditions like locality, diversity and co-operation (Hajnal, 2006). However, sometimes this co-operation does not work efficiently even between two neighbouring settlements. The good examples for this situation are the two studied settlements, the spa towns of the Central European destination joining in to the international tourism, Hévíz and Keszthely.

In the last decades health tourism become one of the most dynamically developing tourism products in world tourism market (Turner, 2011, Connell, 2013). Hungary has got unique geothermal characteristics with quality tourism supply, thus, it is not surprising that health and wellness are exceptional areas of the Hungarian tourism as well. In Hungary health tourism is typically based on natural therapeutic factors (Michalkó, – Rátz, 2011).

The most successful spa towns are small towns (Aubert, et al., 2011) which, in the recent decades, have undergone several changes. The studied settlements, Hévíz and Keszthely have always possessed a large foreign clientele, mainly German and Austrian, but in recent years this clientele is rather composed of Russians and different Central European nations, largely Czech tourists. In this study we are going to analyse the main characteristics of the relationship of these towns, the effects of the new clientele, the possibilities of co-operation and the limits of its fulfilment. Spa towns of the different Central European destinations possess similar characteristics and possibilities regarding demand, supply and their organization. Therefore our analysis could be a case study for the Czech and Slovakian spa towns of similar characteristics.

Materials and Methods

During our researches we used both primary and secondary methods as well, which were harmonised during the analysis process. Besides the elaboration of the related literature the authors, being local residents perceive the changes taken place in both studied towns. In 2013 we had surveyed 300 tourists in the settlements of the West Balaton region, 50-50 questionnaires were filled per settlement. On the bases of this survey we had compared the tourism products utilized by the guests of the two spa towns. We had imported the guest data from the KSH database, analysed the regional development strategies and regional concepts of the two towns as well. The interviews with the directors of the TDM organizations contributed to the analysis of the possibilities of co-operation.

Results

Co-operation and rivalry in tourism

In the life-sustaining geo-biosphere the primary relation is co-operation (Juhász-Nagy, 1993), thus society and economy, being the subsystems of the whole, should prefer co-operation against competition. We should talk about a complex system only if the highest degree of co-operation is fulfilled within it (Hajnal, 2010). In the tourism of Hungary the settlements, destinations are rather characterized by competitiveness, rivalry than co-operation, mainly in those regions where the dominant sector and employer is tourism. As a result they try to keep the income and the spending of guests and support the own investments. In Hungary the only tax in connection with tourism is the tourism tax after which the local governments get subventions, amendments from the state. Thus, the settlements, investments will be interested in the development of accommodations rather than in the development of attractions despite that quality attractions should be advised to the guests in order to make them return.

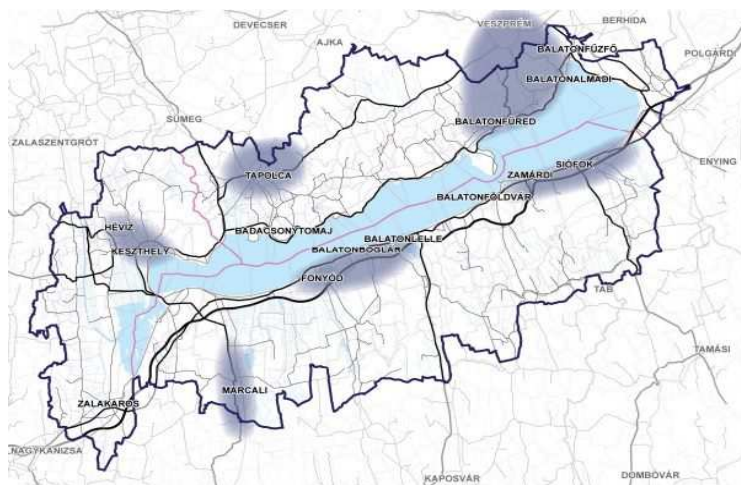
It is a 10 year old plan to change the tourism governance system of Hungary based on the hierarchal system of Tourism Destination Management. But only a few – seven registered by the Ministry of National Economy – regional organizations were formed and even fewer acts in reality. Local governments and leaders only reasons within their own administrative boundaries, thus the common planning and the need for a development are missing. But a tourist precepts wider space and thinks in natural and cultural landscapes, thus searches for a larger, contiguous region. Though co-operation could have risks in both sides (in the level of settlement the realized income may decrease) but the region, the destination and its habitants could only benefit from it. The opportunity to develop a complex supply – in which the different supplementary products compose a unique and distinguishable destination – should be initiate, in accordance with the principles of sustainable development. The case of our studied towns, Hévíz and Keszthely, could be a good example for this.

Causes of differences between the tourism role of the two spa towns

The area of Hévíz and Keszthely has a leading role in the tourism of Hungary. Within this small area two completely different types of tourism, the health tourism and the classical waterside and cultural tourism can be found. As a result of the unique geothermal conditions health tourism has an exceptional position in Hungary. Our spa towns represent the most popular destinations characterised by an increasing number of visitors and high income.

Hévíz, with valuable tourism traditions, is the most well-known spa town attracting the most visitors and providing the highest quality. To keep her leading position in the market of domestic health tourism, regular innovations are carried out. Another branch of the Hungarian tourism, which traditionally attracts a large number of tourists, is the classical summer holidays. The most popular coastal destination in Hungary is the region of our biggest lake, the Balaton, which had always been a leading role in domestic tourism. The largest and economically most important town of this region is Keszthely, often referred to as the “capital of the Balaton region”, lying in the western basin. The town has always possessed a leading cultural role and a complex touristic supply.

Figure 1: Urban Areas of the Balaton and their Central Settlements in the West Coast: Hévíz and Keszthely



Source: Balaton Fejlesztési Tanács, balatonregion.hu – 2014.

The transformation of tourism demand

Hévíz and Keszthely have always got an important role in Hungarian tourism. During the 18-19th centuries Keszthely had her leading role in the region as the cultural programs of the Festetics family were famous all over the country. This heritage constitutes a link between the two towns, and determines their history, development and present situation. In 1739 Kristóf Festetics became the sole owner of the territory. The town of Keszthely began to flourish at the end of the 18th century, in the time of Count György Festetics when the Castle of Festetics was built (1745) and the Georgikon was established (1798), which was the first agricultural secondary - and higher educational institution of Europe (west-balaton.hu). During this time the Hévíz Lake became more and more known and the first, temporary spa buildings were constructed (keszthely.hu). Thus, in the 18th-19th centuries Keszthely has got a leading role in the region and the cultural programs of the Festetics family were famous all over the country, and in these days all accommodations could be found here. (Törzsök, 2015)

The competition between the two holiday resorts was much more equal during the socialist era. We got exact data from the survey done soon after the regime change in 1995 in the Keszthely-Hévíz micro-region. The studied area of the research of Rátz, T. (1999) was the Keszthely-Hévíz sub-divisional cooperation established in 1994, which cooperation included, besides these two settlements, Gyenesdiás, Vonyarcvashegy and Csereszegtomaj. These times Keszthely was characterised by a so-called traditional “balatoni” tourism with strong seasonality and unilateral supply. The strong difference between the two settlements

was strengthened in the past two decades. The changes in the ratio of guests are shown by Table 1.

Table 1: Tourist arrivals in the settlements of the former Keszthely-Hévíz micro-region 1995 and 2015

| 1995 | Tourists | | Foreign tourists | | Guest nights | | Foreign guest nights | |
|-------------------|----------|-------|------------------|-------|--------------|-------|----------------------|-------|
| | person | % | person | % | person | % | person | % |
| <i>Hévíz</i> | 82,883 | 52.79 | 44,031 | 53.12 | 590,449 | 59.29 | 406,796 | 68.9 |
| <i>Keszthely</i> | 58,550 | 37.29 | 40,241 | 68.73 | 266,979 | 26.81 | 211,898 | 79.37 |
| <i>Kistérség*</i> | 285,501 | 100 | 124,884 | 43.74 | 1,270,261 | 100 | 754,442 | 59.4 |
| 2015 | | | | | | | | |
| <i>Hévíz</i> | 195,464 | 64.74 | 92,125 | 76.69 | 923,539 | 74.70 | 569,177 | 83.23 |
| <i>Keszthely</i> | 50,207 | 16.63 | 15,173 | 12.63 | 136,753 | 11.06 | 52,570 | 7.69 |
| <i>Kistérség*</i> | 301,911 | 100 | 120,119 | 100 | 1,236,286 | 100 | 683,884 | 100 |

*Keszthely-HévízKistérségiEgyüttműködés, later KistérségiTársulás until 2007,

Source: Rátz T. (1999), KSH (2016)

The tourism of the classical holiday resorts along Lake Balaton is also undergoing a transformation. Compared to the ethnical composition and the number of guests in the 1990's there is a decrease. In the case of Keszthely there is a rather huge fallback as instead of the 266,000 guests nights in 1995 in 2015 there were only 136,000 guest nights. At the same time Hévíz has got a more and more important role in international health tourism with an almost stable number of guests. Nearly 1 million guest nights are registered annually here, 60 % of which is foreign guest night.

In Table 2, the distribution of foreign visitors of the two spa towns can be seen according to their country of origin. In Hévíz, besides the usual German and Austrian clientele the Russian, Ukrainian and Czech clientele is more and more important. One of the reasons is the change in international trends as the number of such travels where the motivations of tourists are the rehabilitation, recovery and prevention is increasing and the Russian and Czech clientele search for such a complex and quality health tourism services which they can find in Hévíz.

Table 2: Foreign Guest Nights in Hévíz and Keszthely

| Highlighted countries 2015 | Guest nights | |
|-------------------------------|--------------|------------------|
| | <i>Hévíz</i> | <i>Keszthely</i> |
| <i>Germany</i> | 189,021 | 18,050 |
| <i>Russia</i> | 158,429 | 587 |
| <i>Austria</i> | 79,386 | 8,568 |
| <i>Czech Republic</i> | 27,247 | 3,360 |
| <i>Switzerland</i> | 15,268 | 693 |
| <i>Ukraine</i> | 14,266 | 254 |

| | | |
|--------------------|---------|--------|
| <i>Slovakia</i> | 13,570 | 1,614 |
| <i>Poland</i> | 12,243 | 5,395 |
| <i>Israel</i> | 11,618 | 38 |
| <i>China</i> | 7,535 | 64 |
| <i>France</i> | 4,998 | 658 |
| <i>Netherlands</i> | 1,055 | 5,309 |
| <i>Other</i> | 34,541 | 7,980 |
| <i>Total</i> | 569,177 | 52,570 |

Source: HSCO, 2016

At the same time Keszthely has lost most of its foreign visitors. The German, Austrian, Dutch and Polish markets are the most important in Keszthely but the number of guest nights lag behind the numbers of the '80s and '90s. The reason is that the composition of the guests of the Balaton has changed as well as the accommodation structure. In the socialist era the holiday camps were very popular mainly among Dutch and German tourists. These were the sites of reunion for the East- and West German tourists and meant the experience of “freedom”, though the citizens of the GDR were under surveillance by the Stasi even during their holidays (Slachta, 2010). After the demolition of the Berlin Wall (1989) this function of holiday camps came to an end. By now the feelings of nostalgia for the Balaton were ceased, the way of travelling among the young has changed, most of the holiday camps closed or were transformed and the prizes also increased in direct ratio with the improvement of quality. At these times the tourism of Balaton faced with environmental, social and economic problems as well, and only with the help of development plans from the 2000's had reached its present day high quality through which it gained popularity again between the Hungarian and new foreign (Czech and Polish) visitors as well.

In Table 3 the average length of stay of foreign visitors can be seen in Hévíz and Keszthely. Medicinal tourism is usually characterised by longer durations of stay due to the complex treatments offered compared to other branches of tourism, and it can be seen that the longest times were spent by German and Russian guests who undergo long treatments and try many services in a particular spa. The longer stays are in Hévíz, where the town is able to attract foreign guests for long periods with its treatments and varied tourist programmes. The German and Russian visitors stay for more than 9 days while the Israeli guests for more than 11 days, which are very high numbers and this long stay mean higher spending as well. Austrian and Czech guests pay shorter visits to destinations in general (3-6 days) but try more wellness services during their holiday. The presence of Chinese tourists – whose number is increasing but only stay for a day – in Hévíz is quite intriguing. They usually take a long (even several weeks long) journeys around Central Europe and stay at one place only for one night. In case of Keszthely, as a result of the characteristics of coastal tourism, the guests of the main sending countries (Germany, Poland, and Austria) stay for a shorter period of time than in Hévíz. Dutch tourists – who arrive to the once so

popular (in the socialist era) but nowadays, attracting less and less people – holiday camps around Lake Balaton stay for the longest (5.5 days in average) period of time.

Table 3: Average Length of Stay of Foreign Visitors in the Two Studied Settlements

| <i>Highlighted countries 2015</i> | <i>Average lenght of stay</i> | |
|---------------------------------------|-------------------------------|------------------|
| | <i>Hévíz</i> | <i>Keszthely</i> |
| <i>Germany</i> | 9.8 | 4.4 |
| <i>Russia</i> | 9.6 | 2.5 |
| <i>Austria</i> | 4.1 | 3.8 |
| <i>Czech Republic</i> | 4.2 | 2.9 |
| <i>Switzerland</i> | 7.4 | 3.3 |
| <i>Ukraine</i> | 6.5 | 1.6 |
| <i>Slovakia</i> | 3 | 2.5 |
| <i>Poland</i> | 5.4 | 2.9 |
| <i>Israel</i> | 11 | 1.4 |
| <i>China</i> | 1 | 2.1 |
| <i>France</i> | 6.2 | 1.9 |
| <i>Netherlands</i> | 2.8 | 5.5 |
| <i>Average</i> | 6.2 | 3.5 |

Source: HSCO, 2016

Characteristics of tourism supply and income

The economy of both Hévíz and Keszthely is based on the tourism. Of course this sector gives the main returns of the local suppliers and the hotels of Hévíz are the biggest employers of the region. Here in Hévíz the world famous and unique Hévíz Lake and the services, medications of health tourism based on it, the spa milieu and the tranquillity of nature give the base of tourism. Hévíz owes its fame to its medicinal lake, which is the largest biologically active natural thermal lake in the world with its 44,400 square metre water surface. The medicinal water gushes out from the 38 metre deep spring crater, its average temperature in summer is 33-35 °C which does not go below 23 °C neither in winter, and thus outdoor bathing is possible throughout the year. „The water contains sulphurous, alkaline hydrogen carbonated, slightly radioactive active ingredients, having a curative effect primarily on various rheumatic, locomotor, muscular and nervous system disorders, as well as some gynaecological problems.” (Hévízi kistérség területf. koncepciója 2008-2018).

The medicinal treatments and the programs of wellness hotels attract tourists all over the year, thus the rate of demand is nearly the same in the whole year, and seasonality is not so typical. Moreover the guests stay a longer period of time (in the case of Hévíz foreign tourists stay 6.2 days in average (KSH 2016)). The yearly income is more adjusted (the tourism tax in Hévíz is nearly 0.5 milliard HUF) and the seasonal workplaces are less characteristic here as there is a continuous demand for services.

The therapeutic supply is completed with qualitative gastronomy, local goods, wine tourism and different activities associated with health maintenance, such as bike tours, in the recent years.

In Keszthely the main attraction is the traditional coastal tourism during the summer season, which is well completed by the cultural attractions based mainly on the heritage of the Festetics family. In the summer season the different programs in Keszthely attract many tourists even during bad weather conditions from the surrounding settlements as well. But the coastal tourism of Lake Balaton shows an intense seasonality. Here the summer months are determining while in the rest of the year there are notable guest deficient periods. Therefore the whole year income depends on the efficiency of summer months, thus a rainier summer season causes serious loss for the town. From late autumn until early spring only the cultural programs can attract visitors to the settlement but it this did not have a significant effect on the income (only a few guest nights, catering). Thus the number of seasonal workplaces is higher and many, mainly from the field of catering, employees search for a job in Hévíz during winter. What is more, Keszthely is five times bigger than Hévíz (the population of Keszthely is 20,193 and that of Hévíz is 4,376, KSH 2013) which means it has got secondary and higher educational facilities and hospitals, thus the income from tourism is utilized in a larger proportion to solve the everyday economic and social problems.

The difference of the accommodation structure

Hévíz primarily builds on medical service, although the number of guests arriving for beauty, wellness and medical tourism (especially dental and anti-rheumatic treatments) is ever increasing. Hévíz with its 23 hotels is dominant in the region as in the last decades hotels with 3-4-5 stars were built (Hajnal–Köbli, 2015).

Contrary to the above mentioned facts, the biggest problem of Keszthely is the lack of accommodations both in the aspect of quantity and quality. There are only a few hotels in Keszthely and their ratings do not exceed the 3 stars. Thus, many guests, who arrive to the cultural programs of Keszthely choose their accommodation in Hévíz which means financial loss and constant fallback to Keszthely.

Cooperation – TDM organization

The TDM organizations create the opportunity to the two towns for a more effective cooperation. But at the same time it tries to assert the economic advantage in decision making, depending on which settlement is actually stronger on the basis of returns and the number of guests.

Before the regime change the tourism management of the region was characterized by the complete lack of cooperation. But, after the regime change the country's third and the region's first tourism information office was opened, of which activity covered the area of

the Keszthely-Hévíz Sub-regional Development Association, established in 1994. With the cooperation of similar development associations in 1996, the West-Balaton sub-region was developed, which is in fact the West-Balaton destination. In 2000 a worker's organization of tourism, the Public Company of West-Balaton Territorial Marketing was established, which represented Keszthely and the region as well (Tar, 2008). In the next few years due to the economic growth of the surrounding settlements and the resulting competitive environment several local tourism destination management (TDM) organizations were formed. The TDM organization of Hévíz was established in 2006 and the TDM organization of Keszthely in 2008. The tasks of local TDMs include the establishment and maintenance of partnership (between local governments, civilian organizations and enterprises), planning, tourism product development, development of attraction and visitor management, different marketing activities and the proper operation of informational services (Lengyel, 2008). According to our point of view, in the level of settlements, this should be completed with such marketing tasks, which would contribute to the successful entering of a complex region or territory to the market of tourism.

The tasks of the West-Balaton Non-profit Tourism Ltd. could be summarized as the following: destination marketing, contacting and co-ordinating and to develop and manage. Analyzing the applied marketing methods we can conclude that the most important method of marketing is the common touristic webpage. They created a common discount card system named West-Balaton Card, with which the tourists, who arrived to Keszthely or Hévíz, can get more reductions, allowances in several settlements. The card can be required with different terms in Hévíz than in Keszthely, and Hévíz also have an own tourism card (Hévíz Card+), which can only be used by the guests of Hévíz. Besides these, on the markets they attract tourists with common tourism brochures and maps.

The regional tourism organization, the West-Balaton Tourism Agency insures the possibility of co-operation for the two towns, but depending on which one is more determining on the bases of guest nights and income tries to prove its economic vantage in decision making.

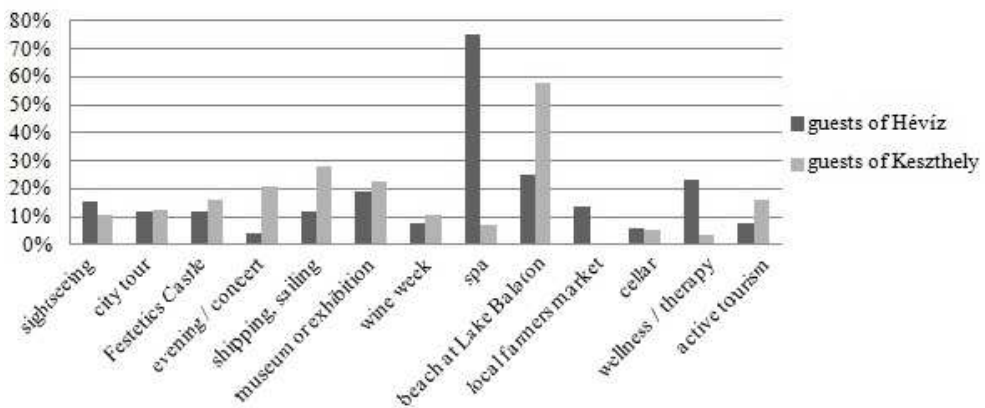
As it can be seen from the demand, Hévíz alone is significant and can hold her own place in the tourism market. Therefore Hévíz tries to validate her own will in the tourism management of the region. In 2013 the general meeting of the West-Balaton Non-profit Tourism Ltd. accepted the modification plan of the destination's brand name and from 2014 the brand name is Hévíz-Balaton. According to the authors such marketing tasks are needed which support the efficient and common performance of a complex area or region on the tourism market.

Questionnaire survey

We had done a questionnaire survey in 2013 about the consumer habits of the tourists visiting the region. To know their consumer habits in order to get information about their

movement in space. We had done a 300 person sample in the settlements of the regional TDM organization. 38.6 % of the he guests who stays in Keszthely has visited Hévíz, while those staying in Hévíz has visited Keszthely in a much higher proportion (59.6 %). The reason behind is that Keszthely has got more cultural programs during the summer. The fact that 73 % of those who were asked in Hévíz and only 47.4 % of those who were in Keszthely had his accommodation in the settlement in which they were asked is quite intriguing. These data support our theory according to which a bigger proportion of guests staying in Hévíz visit Keszthely than vice versa. This should be the result of the unfavourable accommodation facilities in Keszthely. Figure 2 shows which products, services were used in a higher proportion by the guests of Hévíz. It can be clearly seen that the most visited or used service was the health spa followed by the beaches of Lake Balaton coming before treatments and wellness.

Figure 1: Tourism Services Used by the Guests of Keszthely and Hévíz



Source: Z. Horváth 2013

The analysis of the questionnaires reveals that 54 % of tourists visiting the beaches of Lake Balaton did not use the Health Spa. This fact supports the theory that the improper accommodation facilities of the coastal areas increase the number of guest nights in Hévíz. The guests of Keszthely mentioned the different concerts, events, boat sails and the different forms of active tourism in a larger proportion than the guests of Hévíz. The reason behind is that Keszthely has got varied summer programmes, scheduled boat runs and cruise ships, cycling routes, hiking paths in the Keszthely mountains and several rentable vehicles on the beaches.

Conclusion

The two towns should strive after a stronger co-operation with each other and their surroundings as well. We consider the Festetics-heritage card system – which mediate the

rich cultural heritage of the Festetics family towards the visitors – a good choice. According to the authors this marketing communication will initiate the possibility for the guests to consider the region as complex unit and to visit the attractions and the related tourism service providers of both towns. The product centred developments of cultural and natural heritages and the marketing communication could effectively integrate the tourism of the late Festetics estate, the region emphasizing the common past and future.

They planned to gain the title of World Heritage and work out the necessary concepts for application. Hévíz is the most concerned in this project as the Hévíz Lake is one of the world's most important natural and cultural heritages. Elképzeléseinkszerint the most effective concept would be the common nomination of Keszthely and Hévíz as a “classical historic landscape” for the World Heritage title. In 1992 the UNESCO established the “classical historic landscape” category within the frames of the World Heritage Convention, to include such cultural landscapes which are important in historical, aesthetical, anthropological and ethnographical regard as well, and are the examples of a long-term, harmonic balance between nature and society and as a result of irreversible changes are really fragile (Kiss, 2003 and UNESCO, 1992).

Hévíz and Keszthely meet this condition; they are connected through their common cultural heritages, traditions and natural environment. Ecologically Lake Hévíz and the surrounding wetland areas constitute one unit but the drying up of wetlands is a huge problem.

The preparation of the World Heritage application should be proceeded by a landscape rehabilitation process in the region such as with the LIFE – landscape rehabilitation application. The LIFE (L'Instrument Financier pour l'Environnement) is the supporting program of the EU's environmental protection policy and was founded in 1992 and now operates as LIFE+. „LIFE played an important role in the execution of such directives of environmental protection as the Habitat directive, Birds directive or Water directive” (europa.eu).

With the help of landscape rehabilitation the environment could have a proper ecological state and later in the case of a successful application and execution they would have the opportunity to apply for title of “classical historical landscape”. The whole region would benefit from the common application, Hévíz and Keszthely should make a common plans and decisions taking into consideration each others interests. With efficient co-operations the Hévíz Lake and the Festetics heritage of Keszthely could take a great step towards the title of World Heritage, which would be a great acknowledgement to the region.

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Marek Merhaut

THE AWARENESS OF ALLERGENS IN COMMERCIAL KITCHENS WITH A FOCUS ON SCHOOL CANTEENS IN PRAGUE

***Abstract:** Allergies to a certain food are most likely to occur in children under six years of age; however, they can develop later, even into adulthood. Ironically, the most common allergens in older children and adults are the foods that we consider to be healthy or even necessary, such as nuts, cheese, fish, poppy seeds, or aromatic fruit and vegetables (Pollmer, Hoicke, Grimm, 2006). A food allergy is an oversensitive reaction by the organism to a food or foods, where the body may exhibit one or more symptoms from a relatively wide range of symptoms.*

***Key words:** allergens, allergy, food allergy, school canteen, school meals*

***JEL Classification:** L66*

Introduction

The main objective of this empirical research is to analyze the level of awareness and information among the public (pupils in primary school, families, employees of school canteens) of the occurrence of allergens in foods that are offered in school canteens selected primary schools in the City of Prague. On December 13, 2014 European Parliament and Council Regulation (EU) no. 1169/2011 of 25 October 2011 on the provision of food information to consumers went into effect (EP and Council, 2011). This regulation requires catering operations to inform consumers about allergens contained in the dishes offered (including drinks). School canteens must also accommodate this regulation and menus must feature a list of allergenic foods contained in the meal (Steinmann, 1993). These are: cereals, eggs, milk, soybeans, nuts, celery and even mustard. Allergenic foods are listed in Annex II to Regulation (EU) no. 1169/2011. Informing the consumers of the occurrence of allergens in food means a written communication on all the allergens present in each specific food, meal and drink. Allergens must be presented with the word "contains," followed by the actual list of names of allergenic ingredients (unless the information about allergens is presented through a complete composition of the meal with the allergens highlighted).

According to the draft proposed to the Food Chamber of the Czech Republic, consumers must be provided information on allergens in writing and in the following way:

- a) posted in a visible place (a list of prepared meals, along with information about the allergens they contain - written information indicating the allergens contained in individual dishes);
- b) presented directly in the menu;
- c) presented in writing upon personal request. It must be visibly and clearly communicated that information on allergens can be received after asking (e.g., "Information about allergens contained in meals is available upon request", etc.);
- d) when ordering food for delivery or to go (e.g., ordering food via the Internet) the consumer must be informed of the allergens while the order is being made (e.g., via the website) and the information about allergens the food contains must be available even when the food is collected. The principle of informing the consumer before his decision on the selection of meals drinks or food does not apply to sales through vending machines or automated commercial premises (Food Chamber of the Czech Republic, 2011). Another issue on which we focus our empirical research is that of pupils' diets in school canteens.

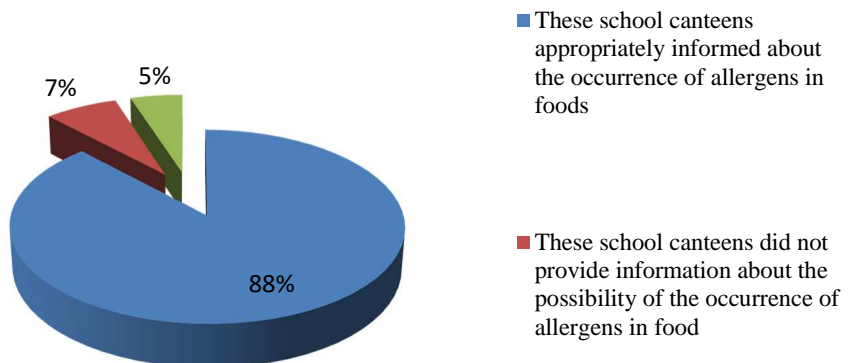
Materials and Methods

The investigation, conducted during January and February of 2015, was carried out through a random analysis of school canteens in Prague and the information provided on the possible occurrence of allergens in foods being served there. Another method used in this research was a form of Mystery Shopping, which was conducted by pupils in the canteens at the schools in question in Prague. Students were instructed on the appropriate methods for posing questions regarding the occurrence of allergens in various food offered. Another method used was a questionnaire survey, which was completed by 450 respondents from among the parents of the pupils. This survey was not focused on satisfaction with the quality of food served, but rather on the level of awareness of the potential presence of allergens in the school meals served. The final method employed was an examination in select educational institutions, which for reasons of time were located in the area of Prague 8, on the range of goods which are sold in school cafeterias as additional sales. This research was conducted through sensory comparisons of the food and beverages offered with a focus on nutritional values, awareness of the possible occurrence of allergens in these foods, on the suitability of the food offered, and the price.

Results

88% of randomly selected and examined school canteens offered information on their websites about the possible occurrence of allergens in meals served in their facilities. These educational institutions also submitted weekly menus, containing a warning in the form of a numeric code, on the presence of allergens in order to meet the need for notification of the occurrence of allergens in foods under European Parliament and Council Regulation (EU) no. 1169/2011 on the provision of food information to consumers, which came into force in the Czech Republic December 13, 2014. 7 % of the surveyed school canteens did not provide information about the possible presence of allergens in food. In this case, we were unable to determine why these school facilities "failed" to disclose the requested information. 5 % of the surveyed school cafeterias also provided information on their websites on the possible occurrence of allergens, as well as featured allergen content on the menu, but with the subsequent disclaimer that special care cannot be given to individuals (diners) who have such medical restrictions. Likewise, these school facilities deny any responsibility for cases where children with dietary problems are using the school canteen and therefore require specially modified foods, even though the schools have this authority and the school is asked by parents about special diets for these cases.

Figure 1: School canteens



The first issue that our research focused on was the level of awareness among the school canteen employees of the possible occurrence of allergens in food. In this case it was the kitchen staff that comes into contact with the children or "customers". For this research, we used the children of our acquaintances, and about 20 'second tier' primary school pupils, aged 12-14 years, who were able to formulate the required queries to the canteen staff regarding allergens in the food, agreed to participate in this Mystery shopping.

The second research goal that we set in accordance with the empirical investigation was met through a questionnaire survey with a focus on awareness of the possible allergens in food served in school canteens. As already mentioned, 450 respondents from among the parents participated in this empirical investigation. The questionnaire comprised 7 clearly formulated questions, was conducted during the month of January and was anonymous. For reasons of time and to ensure a sufficient number of respondents, 10 students from the Institute of Hospitality Management in Prague 8 acted as the interviewers for this part of the investigation. The interviewers were selected from among students whose residence is in the city of Prague and who live in the various Prague districts, since it was assumed that "historically" they may have some ties to their place of residence (school, family ties, friends etc.), and thus these empirical inquiries could be carried out smoothly. This step proved to be correct in view of the time schedule, which was designed for a period of 3 weeks with the research being completed before the spring break.

The third and final part of our empirical research addressed the issue of additional sales on school grounds and was conducted in 15 selected schools within the Prague 8 district. These additional sales are organized largely by external companies, which rent a booth or a room on the school premises where they offer an assortment of food during the morning or afternoon snack time and in some cases offer a substitute for the midday meals for those who do not choose a meal from the menu in the canteen. First, the composition of the range of food on offer was observed from a sensory perspective. Then a trial purchase was made in these facilities, and the nutritional value of the products was evaluated. Last but not least, prices were compared in these school facilities.

The resulting findings of the survey showed that 65 % of the respondents were satisfied both with the quality of food served and with the awareness of the possible occurrence of allergens in the prepared foods offered in the school canteens. 29 % of respondents commented negatively on the questions. It follows that these respondents were not satisfied with the information available on the occurrence of allergens in the food served in the school canteens. 6 % of respondents expressed a lack of interest in this issue.

Figure 2: Satisfaction with the quality of food

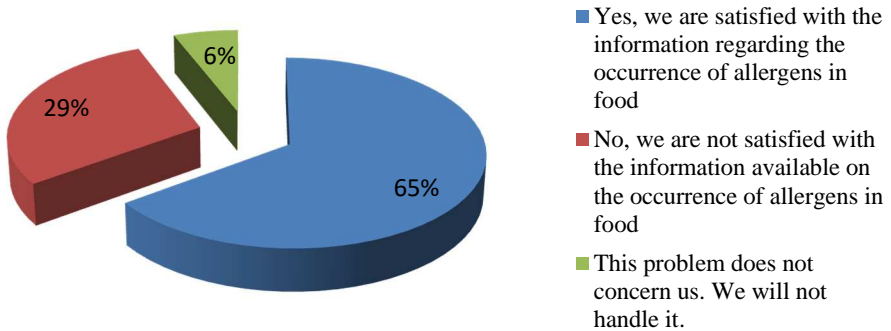
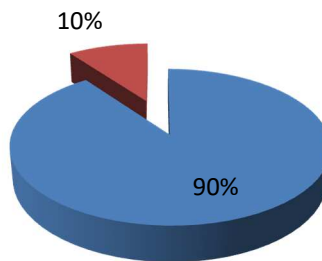


Figure 3: The staff of school canteens and their capacity to provide information about allergens



- Employees of the school canteen were able informed about the possibility of the occurrence of allergens in foods.
- The staff of the school canteen failed to informed about the possibility of the occurrence of allergens in foods.

The findings of the research on school canteen staff awareness regarding the occurrence of allergens in the meals served showed an overall positive result. In this case, we instructed these helpers to lay simple and direct questions to the staff on the presence of gluten, eggs and milk. The students (pupils) were instructed to make a small tick mark in answer to the questions, which were subsequently evaluated. 90 % of surveyed employees could explain to “the child customer” which meals contained allergens without having to look at the

information table on allergens in food. On the other hand, for the 10 % of respondents (kitchen staff) who failed to respond appropriately to the clearly targeted questions about the occurrence of specified allergens, we found knowledge gaps concerning the subject matter.

Discussion

The findings of the investigation into the additional food sales on the school premises showed that in 12 facilities offering additional sales to primary school pupils, a totally inappropriate assortment of goods was offered. In these establishments the goods included: cola, bagels, biscuits and different kinds of candy, sugary sodas, various pastries, chips and various other snacks. Only 3 facilities providing this type of sales did relatively well in the range of food offered, which unlike the other 12 facilities, limited this type of snack and offered foods that could be considered of a better category and were not only less expensive, but also better nutritionally and health wise. These 3 facilities offered various salads, fruits and mineral water without flavor. The worst finding was the price for the offered range of foods. Price levels reached the same as the non-stop convenience stores operated by Vietnamese retailers, which is significantly more expensive than other small retail shops. In one facility we even found out that the dealer offers the primary school pupils the opportunity to use Euros for purchases using the exchange rate of 26.70 / 1 EUR, which according to the legal specifications is a violation of the law. The opportunity to make purchases using this currency is also not in accordance with the regulations on currency exchange activity, because this school does not have the authority to carry out foreign exchange services.

Conclusion

Pursuant to Regulations of the European Parliament and Council Regulation (EU) no. 1169/2011 dated 25. 10. 2011 on the provision of food information to consumers, which came into force in the Czech Republic, 12.13.2014, and school canteens, are obligated to inform consumers of food allergenic ingredients in prepared foods, but according to the statement of respondents in this research, some disregarded the hypersensitivity of individual diners. According to the statements of respondents with this problem, each consumer must guard against this problem themselves. Different kinds of allergies affect up to 30% of the population, and it is not possible to monitor the production of food for diners with food allergies individually. Food allergies can be caused by all food, but the EU mentions 14 major potential allergens, which are subject to legislative markings. Apples, pears, apricots, peaches, strawberries, tomatoes, spinach, aromatic herbs also constitute allergens. Preparing meals in school canteens brings with it many risks. Each school

canteen manager must reckon with it and consider whether to take on this risk (Bidat, Loigerot, 2005). Great responsibility – that is the main reason why some school cafeterias are afraid to accept special diets, and it makes great demands on staff as well, both in terms of time consumption, and also regarding expertise. Workers need to know all the technology regarding the preparation of special diet foods, which are suitable for that particular diet and which are not. Unfortunately, in the school canteens where our research was conducted, such professionally trained staffs are lacking. The growing number of parents of children with celiac's disease who are asking for help ensuring food for this special diet should get school canteen operators to think more about how to feed children with this problem. So far, they are willingly to heat up food brought from home in the school canteen. In our analysis of the canteen menus, we found that at least one meal a day from the three to five offered could be consumed by someone with celiac's disease, but it depends on the consumer's or his/her parent's choice (Lužná, 2010). According to the Supreme Administrative Court 2 Aps. 3/2010 – 112, the right to public school meals is a subjective right, which is decided by the Director of the school or school facility under § 164 paragraph 1 point. a) Act no. 561/2004 Coll., on preschool, primary, secondary, vocational and other education (Education Act). This, however, does not imply that the student has the legal right to directly receive food that goes beyond the nutrition standards and financial limits pursuant to Decree no. 107/2005 Coll., on school meals. However, on the advice of the Ministry of Health Ref.: 34059/2011, the school canteen may serve children / pupils / students meals prepared in the child's home. Implementation is the full responsibility of the operator of the catering services on the basis of a written agreement with the legal guardian of the child, under the conditions and in accordance with that opinion. These diners can be recognized in the statement of operations, 17-01, on school catering from 31. 10. 2014.

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Martina Sochůrková, Martin Petříček

GENERAL SYSTEM THEORY AND ITS POSSIBLE APPLICATION IN HOSPITALITY

***Abstract:** General systems theory is one of the most widespread scientific disciplines applied in many areas including the management and control of an organization. It uses methods such as operational research, system analysis and system engineering. The objective of this article is, based on the research of scientific databases and literature, to present ways in which GST may be applied to the hospitality industry. Systems management in hospitality, intercultural management in hospitality and GST's application to the Revenue Management were chosen as examples.*

***Key words:** business intelligence, general system theory, hospitality, intercultural management, revenue management, system management*

***JEL Classification:** A10, L83, M31*

Introduction

“Systems Theory: the transdisciplinary study of the abstract organization of phenomena, independent of their substance, type, or spatial or temporal scale of existence. It investigates both the principles common to all complex entities, and the (usually mathematical) models which can be used to describe them.” (Heylighen and Joslyn, n. d.)

General systems theory (GST) is interconnected with many scientific disciplines. From the fields dealing with the studies of live organisms to technical disciplines. We may see clearly defined systems in mathematics, physics and informatics where the systems are to clarify many theoretical contexts in which we move. However, systems theory also relates to fields dealing with complex relations which inosculate and create synergy in areas seemingly different and distant. We may encounter systems theory in the fields of sociology, economics, pedagogy, psychology, biology, cybernetics and management, control of an organization and hospitality.

The objective of this article is to show GST's potential application to the hospitality industry and to determine whether there is a connection between them in various problems.

Materials and Methods

GST is an extensive field and there are many studies, articles and books dealing with this topic. To fulfil the objective, which was to find a possible interconnection between these two fields, it was necessary to explore the existing literature for studies on this topic. The following scientific databases were used: Web of Science, Scopus, Springer, ScienceDirect, and Emerald, as well as other sources, such as articles and studies by Cornell University and online libraries. The research took place from September – February 2016. At first, it was necessary to clarify what the essence of GST is, and what methods it uses. Systems theory is a methodological study dealing, in the first place, with the identification of relations between various parts of an explored object or system not only from the global but also the environmental point of view. GST uses various methods, such as the operational research, systems analysis and systems engineering, which use systems as an approach to comprehend complex phenomena, relations and problems. GST focuses on a system's structure. It proposes that the complex systems share basic principles, regardless of their nature. The roots of general systems theory date back to remote history, such as the period of ancient times, and, still, it is a much used and popular scientific discipline even in modern times. It is very popular thanks to the fact that it may be applied to many fields and scientific disciplines. This discipline keeps developing, profiling and specializing further into many new areas that can be explored from the point of view of the systems theory. In the sources above, three options of GST's application in the hospitality industry were found, which will be presented and analysed further.

Results

The application of general systems theory in the hospitality industry is not very frequent but, still, there are a few cases. After a lengthy exploration of the literary sources and existing research we managed to find an interconnection between these two fields on several various topics. At first, a view of the system management in the hospitality industry based on GST will be presented, then the article will focus on Intercultural Management and communication in the hospitality industry, to be followed by the very topical Revenue Management and its interconnection to GST principles, which also closely relates to Business Intelligence and data mining.

To achieve a right application of GST in the hospitality industry it was necessary to clarify the meaning and creation of the general system theory. The word system originates from the Greek word "*syn-ístemi*" – to keep together. A system is defined as a unit created from other mutually interconnected elements. It is a whole whose functioning depends on its parts and their interrelations. A change to some of these elements can influence the whole system. Each system's element is interconnected with other elements and fulfils its own

specific task. The relations among the elements within the system are supposed to be stronger than relations between the elements and the environment. The basic attributes of the system include i.e. adaptation to changing circumstances, self-regulation, auto-organization, communication and information processing. There are many system definitions and we may see them from different angles and in various contexts. In his book *Information Systems* Jiří Hronek presents several following definitions: system as an organized set of ideas grouped to explain an internal setting or activities of a whole; system as a set of chosen principles to solve certain social issues; system as a set of components (elements) interacting to fulfil an objective. (Hronek, 2007)

Systems can be divided according to many viewpoints. There are various systems, e.g. physical (rivers), biological (live organisms), man-made systems (machines), social systems (family), human work systems etc. We may further divide systems into live, social, ecological and deterministic or non-deterministic; open and closed; dynamic and static, linear and non-linear; stationary and non-stationary. Systems may be viewed from the point of biology, cybernetics, physics, economics; we may even explore human behaviour as a system. Systems theory is connected to many areas and disciplines. Systems theory was created in the 20th century as a response to new knowledge discovered in the field of biology. The mechanical approach prevailing at the time began to be replaced with a systems approach. In that period, life became the main topic, though life was in contradiction to reductionism and mechanical concepts. Reductionism says that individual parts are the most important and only on their basis we can understand the whole. In other words, individual institutions, methods or scientific concepts are to be reduced to the lowest common denominator or parts. Reductionism sees parts as the most important. Nevertheless, reductionism has been criticized to a great extent, mainly in connection with live organisms that cannot be disassembled and assembled again as a machine. It was due to this point of view that it clashed with Aristotle's idea that "the whole is greater than the sum of its parts". The mechanical approach was typical for the 19th century and saw the whole as a collection of its elements, which was suitable for mechanical matters. It did not deal with relations among the elements as opposed to the systems approach.

The creation and development of systems theory was also supported by the development of other scientific disciplines and the growth of complexity of their projects. When solving problems in the fields of biology, economics and the technical sector, the mechanical approach was no longer sufficient because the object started to be seen as a system. Systems approach is defined by Dušan Krajzar, as a general term for a way of thinking, acting and problem solving; it understands phenomena and processes in their complexity, involving connections in relation to the external environment; it helps formulate the given problem. (Krajzar, 2004)

Systems theory does not deal directly with the objects but their abstract models. "*System theory is based on the interdisciplinary understanding of the notion system, it uses extensive logical mathematical apparatus to explore formal systems and unifies behaviour*

aspects of various kinds of systems. It develops methods to define and explore systems, their components, environment, to display, analyse and optimize system structure, and to analyse and optimize their behaviour.” (Teorie systemů, n. d.)

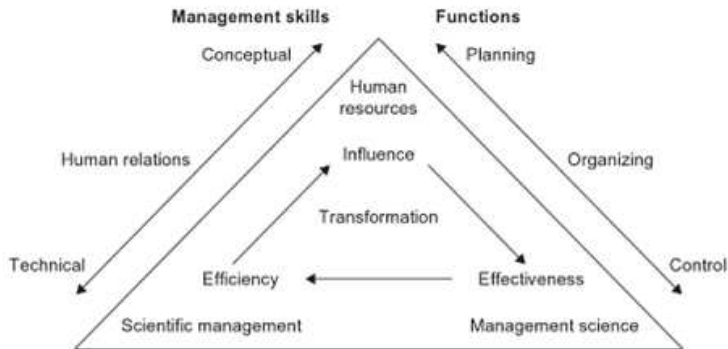
System management and hospitality

“General systems theory provides a basis for the system management from the point of view of organizations. System management sees an organization as an entity composed of mutually dependent relations with internal and external subsystems.” (Tesone, 2009, p. 95)

Looking back at history, GST creation and von Bertalanffy's (GST founder) ideas, von Bertalanffy sees an organization as an open system that keeps exchanging energy and substances with its environment which keeps it balanced. Here we can see a clear connection to the Tesone (2009). Lately, many theories were applied in the systems thought used in the management of organizations and the author Dana V. Tesone (2009) calls this movement “New Science Management”. When thinking of the main outputs and inputs of the hotel management, the output is service and a product (inputs and outputs will be dealt with in greater details at the end of this article). In the hospitality area the main products are accommodation services, catering, organization of conferences and many additional services. As an input we may imagine sources coming from the external environment. In her book “Principles of Management for the Hospitality Industry”, the author provides principles of hotel management in the following Picture 1, which clearly shows relations between the internal and external environment. Processes of self-regulation result from this. A hotel as such can be called an open system. In fact, identical solutions based on von Bertalanffy's theories could be applied in various problems. “Each worker is a part of a work unit that works as a subsystem of a greater system called an organization. This organization is a subsystem of an external macro-system. Closed systems are not influenced by the external environment.” (Tesone, 2009, p. 132). As we have put it, a hotel is not a closed system because it depends on the external environment. There is an interaction and exchange between them.

The author provides two chapters dealing with basic theories and principles of GST which, however, will not be dealt with herein. When searching for literature dealing with the hospitality industry and GST, we could not find any references dealing specifically with this problem. Nevertheless, there are a few books on hotel management containing commentaries on the definition of general systems theory and its interconnection with management and systems management, as in the example above. This fact may be seen as very useful because GST also penetrates to the hospitality industry to some extent, which means raising awareness of this topic in other fields.

Picture 1: Hotel Management Principles [5]



Source: Tesone, 2009

Intercultural management, communication and GST

Intercultural management has become popular recently, creating an inseparable part of the hospitality and travel industry. Many studies point to the importance of communication between persons from different cultures. Intercultural communication as such is absolutely essential and necessary for the successful management of an organization. If a hotel wants to set appropriate communication with its clients, employees, suppliers and associates, it is necessary to be culturally aware of individual nationalities. Psychology theories deal with this topic very often. In the book "Managerial Competence Within the Hospitality and Tourism Service Industries" we may read a chapter dealing with this topic. It is a study of adaptation of staff from various countries in hotels in Australia. The authors provide Kim's quotation "One particular psychological theory of intercultural communication competence is a general system theory." (Saeed, 2008, p. 35). Here again, an individual is seen as a part of a system that functions based on the interaction with the external environment, which brings us back to von Bertalanffy's main ideas. There is another opinion in the book that "cultural foreigners may develop intercultural communication competences through the 4-stage process: shock, stress, adaptation and growth" (Saeed, 2008, p. 39), such as when a worker leaves his country to work in a hotel under an international hotel chain in another country. The authors criticize one weak point of GST when the responsibility for adaptation and development of intercultural communication of a migrant worker depends solely on him, not on the "hosting" hotel. Other sources provide that this process of adaptation and development should depend both on the migrating worker, as well as on the hosting hotel so that both elements of adaptation were involved. The model of adaptation to intercultural communication is closely connected to GST. It is another psychological view whose purpose is to decrease uncertainty. The relation of a migrant worker and a hotel and their mutual interaction is of vital importance. Decreasing uncertainty and better interaction is a guarantee of a better communication and better hotel management.

Business intelligence, data mining, hospitality industry and GST

When focusing on the topic of business intelligence and data mining in relation to GST, there are many studies, books and articles dealing with this topic in various sectors. With regard to the fact that we managed to find sources interconnecting Business Intelligence, data mining, hospitality industry and general systems theory, we will focus on Revenue Management systems in the hospitality industry, which strengthen these four areas mutually.

Business Intelligence

“The process, technologies, and tools needed to turn data into information, information into knowledge, and knowledge into plans that drive profitable business action. Business intelligence encompasses data warehousing, business analytic tools, and content/knowledge management.” (David, 2003)

Data Mining

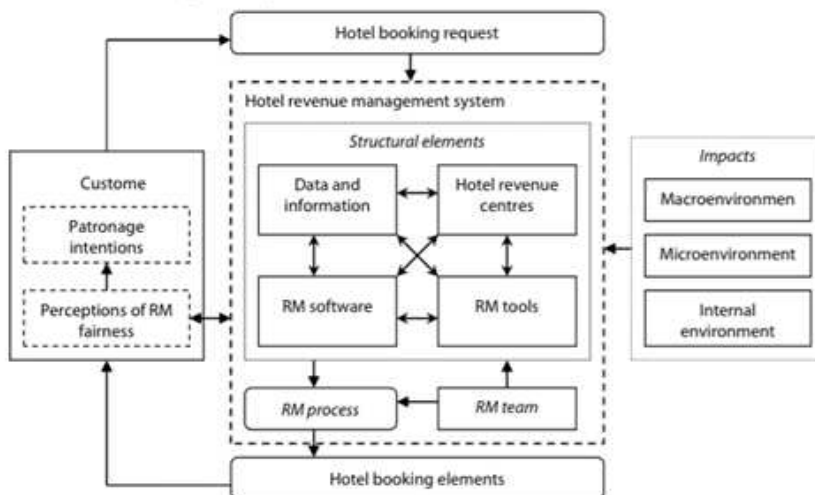
“Data mining is the extraction of previously unknown, valid and actionable knowledge from large databases in order to make crucial business decisions.” (Berry, 1997)

The development of technologies and growing competition in the field of hospitality industry forced hotel managers to start focusing more on using technologies, including the systems mentioned above – Business Intelligence, data mining and Revenue Management. These specialized systems are able to perform depth analyses and various types of simulations, and are based on mathematical and statistical techniques to calculate an optimal price, predict profits or occupancy development. These tools are able to predict development and they work on the basis of simulations and models, which should help maximize profits. Revenue Management helps create and check prices for various segments and based on prognoses and analyses it determines an optimal price. It also uses various simulations, such as Monte Carlo simulation, on the basis of which it is possible to estimate the amount of revenue in particular periods and segments. Specialized software tools, however, means additional costs for their acquisition and maintenance. In other words, upon the growth of the volume of data and need to keep improving quality analyses, the demands on the development of specialized systems increase, which could help managers organize, plan, decide, and prepare forecasts, budgets, strategies and prices. Descriptive statistics are not sufficient for their decisions but there is a need for deep predictions, prognoses and analyses. This area is covered, above all, by the Business Intelligence and Revenue Management systems, which are an inseparable part of the hospitality industry.

When looking for various connections between the hospitality industry, GST and Business Intelligence we managed to find a number of sources connecting these three areas. It is the topic of Revenue Management as mentioned above. In the professional literature Revenue Management is very often connected to the GST founder von Bertalanffy as seen in Picture 2 below. When analysing this scheme, we may see the Revenue Management again as an

open system that needs to exchange energy with its environment to keep its self-regulation and balance. “A hotel experiences permanent influences from external and internal factors, the environment in which the hotel is situated (society’s objectives, financial situation, legislation, competition, changes in demand, force majeure), all these aspects influence the whole operation of the hotel and the management’s decision.” (Ivanov, Zhechev, 2012). As said, a hotel is an open system with the following inputs: employees, finance, information coming from an external environment. These inputs are then transformed into outputs in the form of services provided or a final product. The main product is accommodation, catering and additional services. The outputs also help us achieve chosen objectives, such as profit, guest satisfaction or various marketing objectives. The open system model may be applied in the hospitality industry, as well as in other fields.

Picture 2: Revenue Management System in a Hotel



Source: (Ivanov, Zhechev, 2012)

The Picture 2 shows both the complexity of GST’s use, as well as considerable space left for the use of other approaches in Revenue Management problems. Thanks to the fact that the Revenue Management is usually influenced by external and internal environments, nowadays we find a growing number of approaches trying to implement both these components into a complex system. A simulation approach is used for a presentation of such a complex system. Simulations can be dynamic and probabilistic. The probabilistic approach is easier for the application and the most common simulation method used is Monte Carlo.

For the right use of Monte Carlo simulation method it is necessary to determine correctly the probabilistic division of a random variable. In the practical application of the problem in question an important step is to determine such a division, which is often a very difficult step. This problem is usually caused by the fact that processes and procedures for which

Monte Carlo simulation is used do not show very high homogeneity and, therefore, the rules for determination of probabilistic divisions cannot be set unequivocally. Despite, we may find partial recommendations and guides for their determination (Groenendaal and Zagmutt, 2006). Monte Carlo type of simulation generates multiple scenarios of tens of thousands or higher. The outcome is not information about individual partial scenarios but statistical characteristics of a probabilistic division.

The simulation is based on a generation of random numbers, which are independent values of equal division in an open interval (0, 1). However, current systems approaches to creation of a simulation use pseudo-random numbers because, in most cases, they are generated on the basis of a mixed linear congruential generator, such as

$$X_{n+1} = (ax_n + c)(\text{mod } m) \quad (1)$$

where a , c and m are parameters and mod function represents the value of the remainder after division of the value generated.

Conclusion

The hospitality industry is a very specific branch because a client uses services in the hotel building and does not leave with any tangible product. In the article, several options have been presented for the application of GST to various problems of the hospitality industry or Business Intelligence. Despite the fact that a hotel is not a typical organization, it is an open system and, in this respect, it is not different from other types of business. The main objective of every entrepreneurial activity is profit but in the hospitality field a very important element is the customer as such and his satisfaction. The essential task of a transformation process in a hotel as an open system is the output in the form of a satisfied client. In the professional literature a client is called a key element of the whole transformational process. A satisfied client will return to our hotel, which brings us more profit. This helps us meet other targets. A guest wants to spend pleasant moments in the accommodation facility, he wants to feel at home and, therefore, he evaluates the services more strictly than in other types of business and his demands are higher. Due to this, the hotel management focus their attention on the client. An open system tries to depict a hotel or other organization as a unified whole which constantly interacts with its external environment, the interaction and exchange happens as mentioned, which helps achieve the organization's self-regulation and balance.

At the end, the words of the founder Ludwig von Bertalanffy will be presented, as referred to by Lars Skyttner in his book *General System Theory: "It is the beauty of systems theory that it is psycho-physically neutral, that is, its concepts and models can be applied to both material and nonmaterial phenomena."* (Skyttner, 2005)

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REVIEW

HÁN, J., BERÁNEK, M., BELEŠOVÁ, S., MRKOS, D., STUDNIČKA, P., SOCHŮRKOVÁ, M. Selected Chapters from the Hospitality and Gastronomy – Volume 2: Accommodation Services. Prague: Wolters Kluwer ČR, 2016. 352 p. ISBN 978-80-7552-253-5.

The book is deliberately focused on selected aspects of the design and management of accommodation facilities and implementation of accommodation services. Its concept embodies the content into the wider national economy context with an emphasis on tourism. It creates an image of the structure, various types and characteristics of both accommodation facilities and their services. The book describes also the managerial and economic aspects of the implementation of accommodation services. It presents selected technical and technological solutions and it particularly shows the actual challenges and suggestions from hotel's marketing and sales.

The book not only brings the current insights, concepts and statistics of the aforementioned areas. It tries to bring the proposals of hotel development, management and marketing methods and tools implementation too.

The book is determined not only for entrepreneurs and managers of hotels, whom it should primarily help to innovate its services and to make the level of competitiveness higher. The book plays also the role of the source of information and ideas within the framework of new research, development and innovation projects realised by various research institutes, professional associations, relevant ministries and last but not least, schools and other expert workplace. Besides that, the book is also the suitable source of information useful in the implementation of degree programs in hotel management and tourism systems at high schools and universities. It is also usable within the continuing professional development and education of employees in the hotel sector and tourism.