

CZECH HOSPITALITY

and

TOURISM PAPERS

Volume XI.

Issue 25/2015

Czech Hospitality and Tourism Papers (hereinafter CHTP Journal), publishes mainly scientific and survey papers focusing on the development of theoretical and practical aspects of the hotel and spa industry, gastronomy and tourism. Papers are published in English language.

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.

Reviewers of this issue of Czech Hospitality and Tourism Papers:

Ing. Robin Koklar, Ph.D., MBA – The Institute of Hospitality Management in Prague

Mgr. Zdeněk Lejsek – Czech Statistical Office

doc. RNDr. Zdena Lustigová, CSc. – Charles University in Prague

Ing. Lucie Crespo Stupková, Ph.D. – Colegio Michoacán, Mexico

Ing. Anna Šenková, PhD. – University of Prešov in Prešov

doc. Ing. Zuzana Tučková, Ph.D. – Tomas Bata University in Zlín



CONTENT

SCIENTIFIC PAPERS

Lucie Plzáková – The Evaluation of the Influence of European Structural Funds on the Tourism Market..... 3

Petr Studnička – Development of Selected Basic Tourism and Hospitality Indicators in the Czech Republic in 1980-2012 16

SURVEY PAPERS

Ľuboš Elexa, Ľudmila Šmardová – Financial Distress Models in Hospitality Enterprises in Slovakia 23

CONSULTATION AND DISCUSSION

INFORMATION PAPERS

Eva Ducháčková, Jarmila Radová, Jaroslav Daňhel – The Role of the Insurance of Tour Operators against Bankruptcy in the Conditions of the Czech Republic..... 30

Iveta Fodranová – Utilization of Behavioral Models for Determination of Socio-Cultural Factors for the Investigation of Social Capacity of Outdoor Recreation 40

Ivica Linderová – Readiness of Restaurants and Cafés to Providing Services for Disabled Visitors in Vysočina Region 54

Petr Scholz – Green Management in the Slovak Hotel Industry 64

REVIEW

The Monograph: Travel Law. Volume 1.....73

SCIENTIFIC PAPERS

Lucie PlzÁková

THE EVALUATION OF THE INFLUENCE OF EUROPEAN STRUCTURAL FUNDS ON THE TOURISM MARKET

***Abstract:** Tourism market respective tourism supply is characterized by a large number of small and medium-sized enterprises that realized its business in a difficult industry. One of the specifics of tourism services is their easy imitation, significant dependence quality of services to the human factor, demand is often determined by fashion trends and tourism industry is heavily influenced by political situation. Tourism is, from an economic perspective, an essential good, which carries a higher sensitivity to the economic situation of the country, the purchasing power of the population, the development of exchange rates, political stability and last but not least, the amount of leisure time.*

Tourism industry has become supported by the EU Structural Funds in the period 2007-2013, into which flowed through a billion crowns. Expected effects were (and still are) increasing the attractiveness of the Czech Republic and the Czech regions as a attractive tourist destination, improve services, particularly an increase in quality accommodation facilities. Expectations from the state were focused mainly on increasing revenues from tourism and, of course, increase the number of jobs in tourism industry. Currently, we are in a period of assessment, whether the expected effects occurred as a result of financial support from the EU.

***Key words:** European Structural Funds, evaluation, market restructuring, NUTS II South-West, tourism industry*

***JEL Classification:** L83, R11*

Introduction

Interest from public administration, the private sector and even the non-profit sector is currently focused on the new European Union 2014-2020 programming period. New operational programs are expected to be approved for the period, and the first calls made to

begin to drawing on funds totaling EUR 23.83 billion. Interest in the previous programming period is slowly fading into the background, with only occasional statements in the media of how the Czech Republic will have to return unspent funds to the European Commission. However, concern should be running in the other direction, namely towards the efficient and effective use of this financial support from the previous period. What did this huge support aimed at the convergence of EU regions (NUTS II) mean for Czech regions? Did it raise the level of regions to the expected values (measured as a share of GDP), manage to fulfill the indicators of the National Strategic Reference Framework 2007-2013, or manage to fulfill those of the operational programs and their priority axes (PA)? Did it, in some of the supported markets (e.g., the tourism market), lead to optimization or restructuring, with positive impacts on the local economy, and especially on employment? These are all questions that the managing authorities of the operational programs seek answers to, usually with the help of evaluation studies handled by external providers, so that they can provide this information to the European Commission, which is required from all the member states. Thus, not only what was drawn from the funds, but whether the set targets have been met.

Material and methods

The aim of this paper is to show, using the tourism market as an example, whether financial support (more than CZK 1.2 trillion) has led to the fulfillment of the basic indicators in the priority axis for Tourism, and whether it led to restructuring of the market and the creation of a healthy environment with emphasis on quality. Specifically, the NUTS II South-West Region in the Czech Republic (Jihozápad) was analyzed and evaluated.

The hypotheses of the problem are based on the set of specific objectives in priority axis 3 (PA 3) for Tourism of the Regional Operational Program for the South-West Region of the Czech Republic (ROP SW). Unfortunately they cannot be based on the set of indicators, as the defined indicators are mostly related to the scope of intervention of ROP SW, which has limited value in relation to the changes achieved. For this reason, there are two other hypotheses, based on the needs and expectations of the market itself, and not from the program documents.

H1: The influence of ROP SW intervention has led to an increased number of visitors and extended the average length of their stays.

Note: The wording is taken from the ROP SW document. The number of visitors and the average length of their stays replaces the number of guests in collective accommodation establishments and the average length of stay (based on tourism terminology and indicators of the Czech Statistical Office).

H2: As a result of supported activities within tourism the rate of foreign visitors to the region have increased.

H3: As a result of support for the tourism supply, the tourism market in the region has been restructured in terms of the quality of certified accommodation and the supply for congress tourism.

H4: The number of people employed in tourism in the NUTS II South-West Region has increased.

The main methods employed, in addition to desk research methods, included a time series analysis, index analysis and comparison.

As mentioned in the introduction, the European Union has used the Structural Funds to direct its financial support to the convergence of regions (at the NUTS II level) in its member states. One of the tools for the convergence of regions is also restructuring at the regional level, both in macroeconomic terms as well as at the level of individual enterprises from a microeconomic perspective. "Restructuring is usually understood to mean changing the structure of an organism". [5] Specific information on the impact of restructuring on a regional level and approaches to managing these consequences for the local economy, labor market and society are very limited. In the Czech Republic, as well as in other countries of Central and Eastern Europe, the process of liberalization and market transformation took place after the fall of a totalitarian regime, when the process of restructuring and optimization of the market were part of this process. The tourism market has undergone a significant change since 1990 in the transformation from a centrally planned economy to a market economy, when the dominant industrial sector began to weaken in favor of the tertiary service sector. According to available statistics, during the years 1990-1995, 380,000 new jobs in services were created, whereas the number of jobs in industry, and especially in agriculture, declined. Of course there was also reduction in the number of large enterprises, and vice versa, an increasing number of small and medium-sized enterprises, which are characteristic for the tourist market. According to Veber [6] restructuring that "involves changes in the production program, the organization's resources, their interdependence and use" takes place constantly at the microeconomic level. According to Vodáčka [7] restructuring may be defensive or strategic, and include multiple components of the strategic nature of management.

The second challenge to the transformation of the tourism industry came based on the possibility of substantial financial support from the EU Structural Funds in the 2007-2013 period. Finance flowed into tourism mainly through Regional Operational Programs, and at the national level through the Integrated Operational Program. A large part of the funds flowed into accommodation services, specifically for new construction or for modernization of existing collective accommodation establishments. Other supported activities were largely the construction of bike paths, convention centers, support for marketing activities,

access to or repair of cultural monuments, and other activities such as the creation of tourism products and the promotion of tourism management. The latter two activities were unfortunately only used in a minor way. In the case of support for the construction or modernization of collective accommodation facilities for tourism purposes, the question arises of whether the state disturbed the competitive environment through its interventions with the Structural Funds. According to the European Commission [1], interventions focused on horizontal objectives rather than on individual industries. EU intervention in regional development (one of the horizontal objectives) multiplied 8.2 times between the years 2000 and 2007. Of course, no Czech government has intervened directly in the tourism sector, since no Czech government has considered it an important sector for the Czech economy, but because tourism is an instrument of regional policy and is characterized by small and medium-sized enterprises, interventions within the EU cohesion regions have been considerable. Again we return to the question of the use of this intervention.

Results

The evaluation of the impacts of financial support from ESF on the tourism market – case study NUTS II South-West

Before we proceed to the evaluation of the development of tourism in the South-West cohesion region in terms of the hypotheses, we must evaluate the development of tourism in the Czech Republic. From 2000 to 2013, stays at collective accommodation establishments increased by 27.66 %. Non-residents, or foreign tourists, had a higher proportion of the growth, while residents grew by only 7 percentage points. If we look at the makeup of inbound tourism from the perspective of source countries, the traditional source market is neighboring Germany, although the absolute number of incoming German tourists decreases. Tourists from the Russian Federation, whose numbers had grown up till 2013, moved to the fore. In keeping with the political situation, however, the trend has turned downward. In view of the above figures, Japanese, Norwegians and Russians are the tourists most interesting for the Czech economy. Tourists visiting the Czech Republic remain in the country for shorter and shorter periods of time. The average length of overnight stays fell by 32 % in 2013 (2.8) compared to 2000 (4.1). Tourists from distant countries tend to stay in the Czech Republic, mostly in Prague, for just 2 nights (the average increases to 2.8 for longer spa stays) and then continue on to other European destinations such as Vienna, Budapest, and the like. Inbound tourism is concentrated in the capital city Prague, followed by the Karlovy Vary Region and South Moravia. The share of tourism to the GDP has been steadily declining and currently stands at 2.7 %. Conversely, the gross added value is rising. Another important indicator is the share of employment in the tourism sector compared to total employment. Tourism employs 231,069 people, which amounts to 4.55 % of total employment in the Czech Republic (2012). Tourism businesses

employ more women (13.6 %) than men, and the prevailing age group employed in the field are people aged 25-34 years. Over 83 % of all people employed in tourism have a secondary education. Total revenues and expenditures of the tourism sector are monitored by the Czech National Bank as part of the balance of payments, and tourism specifically falls within the services balance. Over the last three years, the balance of payments for the tourism industry has been declining, but has still remained positive. The strongest quarter is the last part of the year when it achieved the highest surplus.

The question of changes in the tourism market with the assistance of financial support from the ESF was investigated using the example of the NUTS II South-West Region, namely by tapping into funds from ROP SW. The global objective relevant for the support of tourism in the ROP SW is: "Increasing the competitiveness and attractiveness of the region in the interest of a sustainable quality of life for residents." Recall that NUTS II SW includes the Pilsen and South Bohemia administrative regions. In terms of tourism, two regions with a different supply.

If we focus on the composition and number of projects, then from 252 projects to promote tourism in PA 3, projects aimed at revitalizing sights and monuments were most supported. 59 projects were realized and completed throughout the area of support, 3.2 (this support area now covers only one group of activities – historical sights and monuments). Among the projects supported in area 3.1, most projects focused on the development of accommodation capacities (50 projects), sport and recreation facilities (44 projects) and the construction of bike paths and trails exclusively for horse riding and pedestrians (35 projects). 15 projects aimed at the development of museums and other cultural facilities were realized and completed. The fewest projects (9) were aimed specifically at only spa, wellness or congress tourism without support for accommodation capacity. A total of 40 projects were realized to support the promotion of tourism were supported within area 3.3 (area 3.3 covers only one group of activities – promotion). A summary of the expenditure figures is shown in the following Table 1. In terms of the volume of funds, the highest volume of eligible expenditure was for sports and recreation facilities, accommodation and revitalization of sights and monuments, with each of these activities covering approximately $\frac{1}{4}$ of the total eligible costs, representing figures from CZK 977 mil. for sports and recreation facilities to CZK 890 mil. for accommodation. Given the varying degree of co-financing depending on the type of applicant and the kind of public support for individual activities, the level and share of private co-financing and co-financing varies among the regions and municipalities. The highest proportion of private funding was reached in projects focusing on the development of spa, wellness and congress tourism (56 %), projects aimed at supporting the development of accommodation capacity (48 %), and sports and recreational facilities (22 %), by taking account of the high proportion of recipients from the private sector and the implementation of activities establishing public support. [3]

Table 1: The number and volume of eligible project costs for PA 3 projects realized and completed, according to their main activity

Activity	Number of projects	Eligible costs (in CZK thousands)				Share of the activity to the subsidy
		subsidy EU + RR	Region and town	Private	Total	
Cycle paths	35	253,638	95,638	696	349,972	9.9 %
Sport-recreation facilities	44	688,479	75,443	213,941	977,862	26.8 %
Accommodation capacity	50	465,885	339	423,292	889,515	18.1 %
Spa, wellness and congress	9	79,694		99,821	179,514	3.1 %
Museums and cultural facilities	15	156,707	10,335	38,147	205,189	6.1 %
Sights	59	793,264	37,964	138,240	969,468	30.9 %
Promotion	40	133,278	9,592	24,989	167,859	5.2 %
<i>Total</i>	<i>252</i>	<i>2,570,944</i>	<i>229,310</i>	<i>939,125</i>	<i>3,739,379</i>	<i>100.0 %</i>

Source: IS Monit7+ (data from 19. 9. 2014); distribution of projects according to activity.

Note: Public funds correspond to actual expenditure incurred. Private funds correspond to the amount of the contract / addendum.

The overall situation in the South-West cohesion region in the tourism sector in the 2000-2013 period can be summarized in the following table.

Table 2: Summary of information on the development of tourism in the NUTS II South-West Region in the 2000-2013 period

<i>INDICATOR</i>	<i>PILSEN REGION</i>	<i>SOUTH BOHEMIA REGION</i>
<i>Number of collective accommodation establishments</i>	Decreasing (increase after correction for 2012)	Stagnation (increase after correction for 2012)
<i>Number of beds</i>	Decreasing (increase after correction for 2012)	Stagnation (increase after correction for 2012)
<i>Overall number of guests</i>	Growing	Growing
<i>Number of foreign guests</i>	Growing	Growing
<i>Share of foreign guests</i>	Stagnation	Slightly growing
<i>Total number of overnights</i>	Decreasing	Slight decrease (slight increase after correction for 2012)
<i>Domestic x foreign tourists</i>	Domestic tourists prevailing	Domestic tourists prevailing
<i>Average length of stay</i>	2.6 nights	2.8 nights
<i>Net bed occupancy</i>	23.5 % (decreasing)	25.4 % (decreasing)
<i>Number of tourism entities</i>	Stagnating	Stagnating
<i>Share of tourism entities in the region</i>	Stagnating	Stagnating
<i>Number of employed persons</i>	Decreasing	Fluctuating
<i>Source country for foreign tourists</i>	Germany, Austria, Netherlands, Slovakia	Germany, Austria, Asia, Netherlands, Slovakia
<i>Number of accessible sights</i>	20	34
<i>Number of visitors to the sights</i>	Decreasing	Slightly decreasing
<i>Seasonality</i>	High (summer months)	High (summer months)
<i>Satisfaction with the stay</i>	Stagnating (almost 100% satisfaction)	Stagnating (almost 100% satisfaction)

Source: Own elaboration, 2015.

Note: Based on the results of the Ministry for Regional Development's project, "Improving information on selected sectors of tourism," data on capacities and guests for the years 2012 and 2013 were revised. For this reason, data before 2012 are not fully comparable.

Regarding the evaluation of market restructuring with accommodation services, it can be stated that in the framework of 50 projects for the development of accommodation capacities, a total of 2,023 beds were newly added or renovated. Some of the projects, in addition to lodging, also focused on further improving the quality of accommodation in the form of construction or reconstruction of sports and recreational facilities (17 new, and 5 reconstructed). These were, for example, fitness studios or bowling alleys. Furthermore, in 6 projects/facilities new conference space was built and equipped. In 38 of supported accommodation facilities, there was certification of a new facility.

The size of the projects supported by this activity ranged from CZK 1 to 66 mil. in total eligible costs. The average size of a project amounted to CZK 17.8 mil., with smaller projects being supported more often and half of the projects amounting to up to CZK 11 mil. in total eligible costs.

Projects aimed at revitalizing sights and monuments were primarily focused on the reconstruction of monuments (49 of 59 projects supported under area 3.2). Altogether, 52 monuments were reconstructed thanks to these projects. For these projects, there were also complex changes in the surrounding spaces and the infrastructure of the historically preserved areas and buildings and the building of accompanying information systems, or restoration of movable monuments or the procurement of equipment to support the new use of protected buildings.

Projects to develop and promote tourism were implemented as part of area 3.3 of the 40 projects carried out within this area, 39 focused on the creation of promotional and marketing products for tourism. In total, 164 promotional and marketing products were created as part of these projects. 13 projects were focused on supporting the development of tourism and a total of 23 new services were created. 30 products for visitor navigation and routing were created as part of 19 separate projects. And 16 projects focused on the introduction of ICT in the management and promotion of tourism, within which 25 ICT systems were built or developed.

The creation of new jobs is one of the specific contributions of projects to support tourism. In total, 319 new jobs were created as part of the completed PA 3 projects. With regard to the focus of the projects, projects for the development of accommodation capacity made the largest contribution to job creation, under which 223 jobs were created.

Table 3: Gross contribution of PA 3 projects to the development of tourism in terms of the whole administrative region and the NUTS II South-West Region

<i>Outputs/results of the ROP</i>				
<i>Monitoring indicator</i>	<i>State of the project</i>	<i>South Bohemia Administration Region</i>	<i>Pilsen Administration Region</i>	<i>Total</i>

Number of newly added beds	Completed projects*	1,696	345	2,041
Number of jobs created in tourism	Completed projects	261	58	319
	Commitments of the beneficiaries	278	73	351
Length of newly built cycle paths and routes (km)	Completed projects	82	26	108
	Commitments of the beneficiaries	87	28	115
Number of reconstructed historical sights/objects	Completed projects	37	15	52
	Commitments of the beneficiaries	54	22	76

Continuation of Table 3

<i>State in the region</i>				<i>Share of the ROP to overall capacity (%)</i>		
<i>Indicator</i>	<i>SB A. Reg.</i>	<i>Pilsen A. Reg.</i>	<i>Total</i>	<i>SB A. Reg.</i>	<i>Pilsen A. Reg.</i>	<i>Total</i>
Number of beds (in 2013)	62,518	26,548	89,066	2.7	1.3	2.3
Number of jobs created in tourism (2013)**	15,663	10,912	26,575	1.7	0.5	1.2
				1.8	0.7	1.3
Length of newly built cycle paths and routes (in km)***	6,049	4,592	10,641	1.4	0.6	1.0
				1.4	0.6	1.1
Protected monuments/buildings (number)****	5,445	3,192	8,637	0.7	0.5	0.6
				1.0	0.7	0.9

Source: Own. Source of data on monitoring indicators:
IS Monit7+ (data as of 19. 9. 2014)

* *No projects are currently being realized relevant to this indicator*

** *Including workers in cultural, entertainment and recreational activities*

*** *Length of cycle paths according to a 2011 study by the Center for Transportation Research. Length of cycling routes in the Pilsen region as of 3. 9. 2011 (<http://www.plzenskykraj.kct.cz>); In JČK as of 1. 1. 2006.*

**** *Current state according the list of Monuments (Národní památkový ústav)*

The total volume of eligible expenses in PA 3 covered by the agreement reached over CZK 5.1 billion, of which CZK 1.1 billion is attributable to projects currently being realized and CZK 4 billion for projects that have been completed. A total of 252 completed have already

been settled financially, and beneficiaries were reimbursed CZK 2.6 billion from public sources.

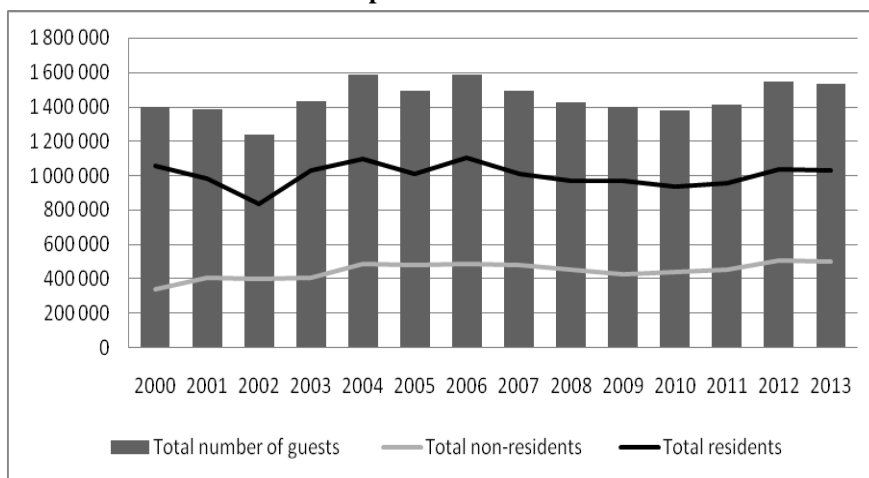
The geographical distribution of projects focused on tourism and supported by the ROP SW, was mainly due to the substantive focus of the projects. In the South Bohemia Region, a larger number of projects (219 of 346) were supported and 58 % of total subsidies from the EU and Regional Council were concentrated here. In the South Bohemia Region, projects for the development of accommodation capacities, the revitalization of sights and monuments and the construction of bike paths dominated. Conversely, projects for the development of museums and cultural facilities prevailed in the Pilsen Region (9 of 15 total projects). In terms of the amount of assistance paid, the Pilsen Region exhausted a higher volume of funds for development projects, especially sports and recreational facilities (61 %) and museums and cultural facilities (64 %). With regard to overall trends in tourism in the supported area for the last period, as the assessment the development of tourism shows, tourism was significantly influenced mainly by the global economic crisis. The effect of funds invested in tourism infrastructure, attractions, marketing, tourism products (both within and outside the ROP SW) to develop a number of guests and overnight stays was thereby diminished. The problem of setting goals in terms of determining the logic for intervention is the considerable susceptibility to external factors. In other words, there is the fact that external factors have more influence on these characteristics than what the potential of the realized interventions is. [3]

If we look at the evolution of the number of jobs and the number of persons employed in the Czech Republic in tourism industry, the data coming from the Tourism Satellite Account are available in time series since 2003 and only for the national level. Total interventions in the tourism sector should be seen as all regional operational programs directly supported the tourism industry. The total number of jobs declined in 2013 compared to the base year 2003 by 1.2 % and the number of employed persons declines in the period by 2.7 %. Expectations overall condition unfulfilled. As we watched only the category of accommodation capacity, so there has been an increase in the number of jobs by 2.7 % and the number of employed persons increased by 0.33 %. In the South-West regional unit can evaluate the number of people employed in the tourism industry of the national economy by categories Accommodation and food service activities and Cultural, entertainment and recreational activities. It does not cover all areas of the tourism industry but at least the characteristic fields of tourism. According to these statistics, overall, decreased the number of persons employed in these categories by 13 % compared to 1993. If we evaluated the same time series as in the case of the Czech Republic was the drop of 1 %. However, this situation is illustrated by the fact that in Accommodation and food service are significantly decrease in the number of employed persons, while in the category Cultural, entertainment and recreation activities have increased, the overall condition is equalized to the overall state of -1 %.

In the area supported the construction and modernization of accommodation facilities in the region of cohesion region South-West, went up the total number of accommodation facilities by almost 40 %. This increase can be attributed to the change but rather a methodology for monitoring of indicators by the Czech Statistical Office. Most growing number of hotels is in the category of 4* and 5*.

The share of non-residents, therefore, foreign tourists who visited the South-West region in 2000 remained at the level of 24 % of the total number of tourists. In 2013, this has risen to almost 33 %. The region is predominantly domestic tourist destinations, especially in Southern Bohemia.

Graph 1: Number of guests in accommodation facilities in the South-West Region in the period 2000-2013



Source: Own, based data of CZSO.

Conclusion

H1 hypothesis can neither confirm nor refute. Number of guests in accommodation establishments grows slightly, but the average length of stay decreases. It has to do with the overall trend, which occurred in the Czech Republic. For foreign tourists, the Czech Republic and its regions, is only one of the places they want to visit during their holiday. As mentioned, the South-West region is typical region for domestic tourists. But it still managed to increase the share of foreign tourists by 9 %. Hypothesis 2 was confirmed. The issue of the increase in the number of quality accommodation cannot be objectively assessed. The number of accommodation facilities in the region have increased overall, the

largest increase occurred then in categories 4* and 5* hotels. However, the overall picture cannot talk about market restructuring. It was more about the possibility to draw European funds for the construction and modernization of accommodation facilities. Experts in the tourism industry refer in this context to distortions of competition. The most expected effect was an increase in jobs and growth in the number of people employed in tourism. It has not been confirmed on national level or at the regional level. Conversely, the number of persons employed in hotels and restaurants in the South-West region decreased significantly. Hypothesis 4 is rejected.

The contribution of ROP SW for the entire NUTS II South-West Region, as shown in the following figures, is hardly verifiable based on the overall statistical data for the administrative region and the area of the whole region. This is due to several factors. First, the program is limited in its resources and secondly, you cannot expect a fundamental contribution of the interventions in terms of a total (higher) capacity of cycle paths, accommodation, created jobs, etc. in the entire NUTS II South-West Region. In that regard, ROP SW covers approximately one to two percent of the total capacities of supported objects / entities. Another aspect is that the development of appropriate capacity at the level of the administrative region and NUTS II regional level is mainly influenced by external factors.

As follows from the analysis of the development of tourism, the current economic crisis is manifested by a slight increase of foreign visitors to the Czech Republic, and a reduction in the length of stay (not just foreign guests). On the other hand, the number of trips and thus visits to the region increased. On the basis of an expert assessment, one can assume that these trends in tourism have more influence on the objectives of regional operating program SW than the supported projects. It is possible to expect the effects of the ROP SW interventions more at the local level. The most significant effects of the support for the tourism supply, as assessed by tourism entities, are a higher quality of services and the overall attractiveness of the region. "It is necessary to coordinate procedures between regional development policy and tourism policy in the Czech Republic with regard to financing tourism mainly from European Union structural funds." [4]

Acknowledgements

To handle this article contributed outputs of the study: Evaluation of the effects and benefits of the Regional Operational Program of cohesion region South-West for tourism development in the South Bohemia region and the Pilsen region. The study was prepared for the Regional Council ROP SW. The author of this article was a member of the research team.

Literature

- [1] EUROSTAT (2007): *Eurostat Regional Yearbook 2007*. Luxembourg: Office for Official Publications of the European Communities, 2007. ISSN 1681-9306.
- [2] Evropská nadace pro zlepšení životních a pracovních podmínek. *Dopady restrukturalizace na regionální úrovni a přístupy k řešení důsledků*. [online] [citace 2015/04/07] Available at: <http://www.eurofound.europa.eu/publications/htmlfiles/ef1441.htm>
- [3] NAVIGA4. *Evaluace efektů a přínosu Regionálního operačního programu regionu soudržnosti Jihozápad pro rozvoj cestovního ruchu v Jihočeském a Plzeňském kraji*. 2014
- [4] Studnička, P. Možnosti řešení regionálních rozdílů v ČR rozvojem cestovního ruchu. In *Hradecké ekonomické dny 2011*, s. 311-315. ISBN 978-80-7435-100-6.
- [5] Synek, M. Transformace, restrukturalizace, revitalizace. In *Acta Oeconomica Pragensis*. 3/2004. ISSN 0572-3043.
- [6] Veber, J. a kol. *Management. Základy, prosperita, globalizace*. Praha. Management Press. 2000. ISBN 80-7261-029-5.
- [7] Vodáčka, L. Úkoly restrukturalizace českých podniků, In *Politická ekonomie* 5/1998. ISSN 0032-3233.

Contact information

Ing. Lucie Plzáková, Ph.D.
Department of Travel and Tourism
The Institute of Hospitality Management in Prague
Svídnická 506
181 00 Prague 8
Czech Republic
T: (+420) 283 101 138
E: plzakova@vsh.cz
F: (+420) 233 541 905

Description of the author

Ing. Lucie Plzáková, Ph.D., graduated from the Economics and Management, Faculty of Economics and Management Czech University of Life Science Prague, where she graduated as a doctoral degree in study program Quantitative Methods in Economics. Since 2009 she is an assistant professor of the Department of Travel and Tourism at The Institute of Hospitality Management in Prague. She focuses on destination management and quantification of regional and local impacts of tourism.

Petr Studnička

DEVELOPMENT OF SELECTED BASIC TOURISM AND HOSPITALITY INDICATORS IN THE CZECH REPUBLIC IN 1980-2012

***Abstract:** The Czech Republic is one of the countries, which in recent history was under the power of the Communist regime. The significant influence on the management of tourism is the potential level of investment. In the Czech Republic, this primarily involves drawing on European Union funds. This is also reflected in the following analysis and is demonstrated in the analysis of the main tourism and hospitality indicators such as the number of collective accommodation establishments, number of guests in these facilities, and the number of overnight stays.*

***Key words:** accommodation establishment, Czech Republic, hospitality, indicators, tourism*

***JEL Classification:** L83*

Introduction

One of the most significant factors influencing the form of destination management is the environment in which the management process takes place, such as the political, economic, legal, environmental and social environments, etc. (Goeldner, Brent Ritchie, McIntosh, 2000). The political environment and the related economic environment are the key aspects in the analysis presented in this article. The question examined is how the management of tourism has changed over time in relation to the political development of the country.

Tourism management is a strategic process, thus affecting the level of competitiveness of the country as a whole in terms of tourism. It also has an impact on investment, marketing in foreign markets and other activities that are part of strategic management. The basic indicators which measure the performance of tourism include consumption, number of guests in collective tourist accommodation establishments (CTAE), number of nights, and the number of CTAE. Unfortunately, tourism consumption in the Czech Republic has only been monitored since 2003, when the Czech Republic began to assemble selected charts from the Tourism Satellite Account (TSA).

The other above-mentioned indicators are available although over the last 30 years there have been changes in the methodology for measuring the indicators. The most significant

changes were in 1996, 2000 and 2012. Despite this, a graph is displayed with the evolution of these indicators to illustrate the development of tourism and hospitality industry in the Czech Republic. Key milestones include 1990, 2004, when the Czech Republic joined the European Union and was given the opportunity as a regular member to draw on their funds, and subsequently 2012, when the benefits of the huge investment in tourism from EU funds in the period 2007-2015 should have already been manifest. Another interesting indicator is the number of enterprises in the sector and the ratio of travel agencies. Even these figures are subject to scrutiny.

Material and methods

The main sources for the investigation were gathered from publicly available information from organizations' websites (Czech Statistical Office, Ministry of Regional Development, CzechTourism), annual reports from institutions and organizations, and the knowledge and experience of the authors. The methods used in this paper include analysis and study of documents, analysis of secondary data, time series and comparative analysis.

Research question: The possibility of drawing on European Structural and Investment Funds to support the mitigation of inter-regional disparities through tourism development, especially in the programming period 2007-2013, had the effect of increasing the main quantitative tourism and hospitality indicators such as the number of visitors, accommodation and overnight stays.

Results

The share of tourism in the Czech Republic's Gross Domestic Product (GDP), calculated by the Tourism Satellite Account (TSA) method, was 2.9 % in 2013. The number of international arrivals reached 7.3 million in 2013. Domestic tourism consumption amounted to EUR 3,418 million in 2013. In the same year, foreign currency revenues from tourism reached EUR 5,051 million. The numbers employed in tourism in the Czech Republic amounted in 2013 to 231,288 and this sector's share in total employment reached 4.6 %.

On the central level, the tourism industry comes within the providence of the Tourism Department of the Ministry of Regional Development. The Czech National Tourism Board-CzechTourism is a grant aided department of the Ministry of Regional Development.

Tourism in the Czech Republic is funded from a number of sources (the Ministry of Regional Development and other ministries, regions and municipalities). The main source for the period 2007-2013/2015 (Table 1) was from European Union Structural and

Investment Funds (approx. EUR 1.9 billion). The programming period 2014-2020 is in line with the budgetary framework of the European Union for this seven-year-period. Fund amounting to EUR 24 billion were allocated for the Czech Republic. The new European Union programme period 2014-2020 from the perspective of support tourism in the Czech Republic is significantly weakened compared with earlier periods. They have abolished the regional operational programs which supported most tourism in the past and instead was established the Integrated Regional Operational Programme. Tourism in the new programme is only marginally supported in the area of culture, which supplies funding of reconstruction of monuments inscribed on the UNESCO list or on the list created by the Ministry of Culture including gardening and follow-up marketing.

Table 1: Number of projects and public support of tourism industry from EU funds in the Czech Republic in 2007-2015 in mil. CZK

<i>EU Fund</i>	<i>Number of Projects</i>	<i>Public Support</i>
European Territorial Cooperation	408	3,880
Integrated Operational Programme	114	8,465
Prague – Competitiveness/Adaptability	37	259
Research and Development for Innovations	9	2,624
Human Resources and Employment	31	230
Enterprise and Innovation	57	296
Education for Competitiveness	105	296
Environment	134	1,015
Rural Development	1,930	3,125
Regional Operational Programme (7 NUTS 2)	1,749	30,442

Source: Ministry of Regional Development, 2015.

The National Tourism Policy of the Czech Republic for 2014-2020 (the Concept), which is a fundamental medium-term-tourism-related strategic document in the Czech Republic, was approved by the Czech government on 27 March 2013. The priorities of the Concept are:

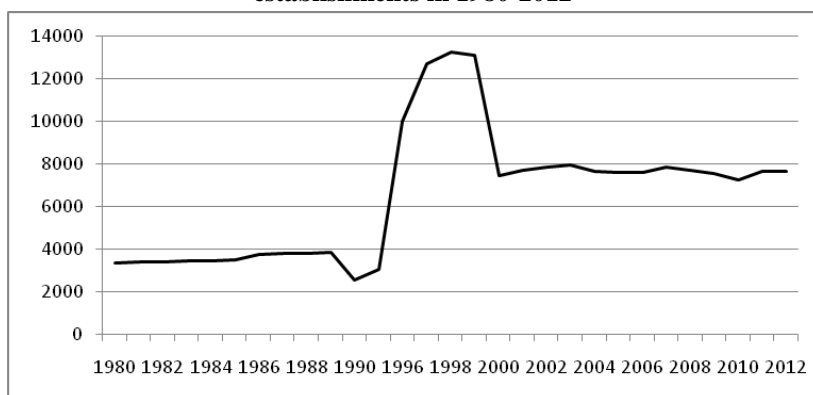
- improving the quality of the tourism supply;
- tourism management;
- destination marketing;
- tourism policy and economic development.

The role of the Ministry of Regional Development in implementing the Concept is relatively difficult. Many players at both the national and regional levels are responsible for the individual segments of tourism in the Czech Republic. The long-term lack of a functioning system of management of tourism results in failure to implement the Concept's measures systematically (Plzáková, Studnička, 2014).

From the analysis of trends in collective tourist accommodation establishments, an obvious increase can be noted after 1990 when the market was opened for private enterprises and privatization of state enterprises was carried out. In terms of tourism, this meant mostly accommodation facilities run by the trade unions, and spa facilities. The chart reflects a distinct change in the methodology of monitoring CTAE between 1996 and 2000, when CTAE began to be defined as those that have a minimum of 5 rooms or 10 beds. Even though, the construction of new collective accommodation establishments or their modernization, were among the main priorities for the use of European Union funds in the programming period 2004-2006 and 2007-2013.

A large amount of funds were used, it is clear that the overall increase since 1980 amounts in 2012 to 225 %; however, from 2004 the number of CTAE actually decreased by one thousandth of a percent, or 9 collective tourist accommodation establishments. But if we analyze the structure of accommodation facilities, there would be a clear rise in hotels in the higher category, i.e. 4 and 5 star (Graph 1).

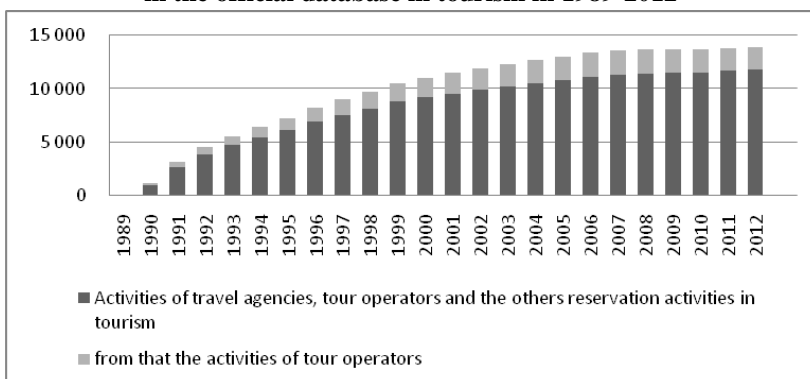
Graph 1: Development of the number of collective tourist accommodation establishments in 1980-2012



Source: Czech Statistical Office – Annual Statistical Report of the Czech Republic, 2013.

The registry of businesses shows evidence of interest in doing business in tourism, especially in the 1990s, with many activities dedicated to booking such as tour operators, travel agencies and similar organizations. The proportion of travel agencies was highest in 1990, while in the last three years their share in the total number has slightly decreased (Graph 2).

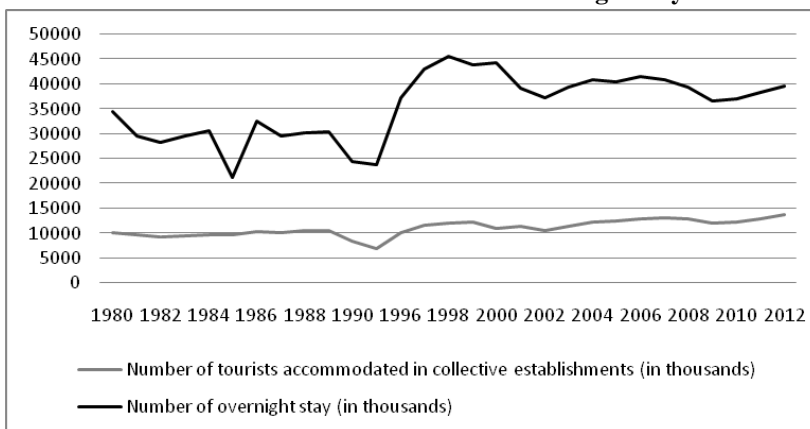
Graph 2: Development of the number of registered subjects in the official database in tourism in 1989-2012



Source: Czech Statistical Office – Annual Statistical Report of the Czech Republic, 2013.

Regarding the number of guests in CTAE, two slumps can be seen in the time series, in 1985 and 1995. In contrast, there is then a significant increase until 1998, when the number peaked. The number of guests in CTAE in 2012 increased by almost 35 % compared to 1980; however, it is necessary to state that the composition of these guests from the perspective of the source market had completely changed. In 1980, the majority of guests in CTAE were residents, especially for company holiday retreats, and then tourists from socialist countries. The number of overnight stays increased by only 15 % (Graph 3).

Graph 3: Development of the number of tourists accommodated in collective tourist accommodation establishments and number of overnight stay in 1980-2012



Source: Czech Statistical Office – Annual Statistical Report of the Czech Republic, 2013.

Discussion

In European countries with developed tourism, significant changes have occurred in the past two decades in the concept and function of the third pillar, which includes creating an effective organizational and management structure of tourism at national, regional and local levels. In many countries (e.g. Slovakia, Austria, Switzerland), the system of tourism management is regulated by legislation, especially at the regional level (e.g. provinces, cantons). This system also contributes to deepening partnerships and cooperation between the private and public sectors (Petříčková, Studnička, 2011). On the contrary, in the Czech Republic a functional organizational structure does not yet exist, which has led to negative phenomena, particularly in:

- a decline in the performance of tourism;
- a low level of implementation of the principles of destination management;
- an insufficient amount of complex tourism products, marketing effectiveness and low quality of services provided.

The considered law should eliminate these negative phenomena and avoid duplication in the management and marketing of tourism destinations, increase the incentive for the public and private sector in tourism and hospitality development, coordinate activities in tourism on three territorial levels and identify the competencies of destination management organizations including their funding (e. g. local fees, grants, subsidies).

Conclusion

Research question, based on the analysis, was not confirmed. Rather, the development of basic indicators (e. g. number of CTAE, registered subjects in tourism, number of overnight stay) show the consequences of the crisis and then moderate growth and stagnation. At the moment, the Ministry of Regional Development of the Czech Republic must work on evaluating the entire program period and assessing compliance with the indicators. It will be interesting to see how the effectiveness and efficiency of the use of resources to support the development of tourism are evaluated. Most funds were directed into the construction and upgrading of accommodation facilities, followed by marketing activities. Far behind these two areas (in order of percentage units) is support for tourism management and development of products. But this is minor support, in which there has not been much interest.

Acknowledgements

The article was possible due to the following projects which were supported by public funds.

- Research on Domestic and Inbound Foreign Tourism in Relation to Mitigating Socio-economic Disparities, Ministry of Regional Development of the Czech Republic, WD-37-07-2, 2007-2011.
- Organization of Tourism in Administrative Regions and in Tourist Regions of the Czech Republic, Czech Tourism Authority-CzechTourism, CzT-11/0/410/1211, 2011.
- Innovative Approach to the Management of Tourism at the National and Regional Levels in the Czech Republic, Czech Tourist Authority-CzechTourism, CzT-13/110/111/7, 2013.

Literature

- [1] *Annual Statistical Report of the Czech Republic, 1990-2013*. Prague: Czech Statistical Office, 1990-2013.
- [2] Goeldner, R. Ch., Brent Ritchie J. R., McIntosh R. W. 2000. *Tourism – Principles, Practices, Philosophies*. New York: John Wiley&Sons. ISBN 0-471-32210-5.
- [3] Petříčková, L., Studnička, P. 2011. Modelové systémy destinačního managementu v turistických regionech České republiky. In *Czech Hospitality and Tourism Papers*. Praha: Vysoká škola hotelová (Nr.11). ISSN 1801-1535, pp 28-37.
- [4] Plzánková, L., Studnička, P. 2014. Research on Tourism and Hospitality Management in the Czech Republic in the Years 1960-2014. In *Czech Hospitality and Tourism Papers*. Praha: Vysoká škola hotelová (Nr. 23). ISSN 1801-1535, pp 77-89.

Contact information

Ing. Petr Studnička, PhD.
 Department of Hotel Management
 The Institute of Hospitality Management in Prague
 Svidnická 506
 181 00 Prague 8
 Czech Republic
 T: (+420) 283 101 176
 E: studnicka@vsh.cz
 F: (+420) 233 541 905

Description of the author

Ing. Petr Studnička, PhD., graduated as a doctoral degree in study program Tourism, Faculty of Economics Matej Bel University in Banská Bystrica, Slovak Republic. Since 2014 he is a Head of the Department of Hotel Management at the Institute of Hospitality Management in Prague. He focuses on hospitality, destination management and public administration.

SURVEY PAPERS

Ľuboš Elexa, Ľudmila Šmardová

FINANCIAL DISTRESS MODELS IN HOSPITALITY ENTERPRISES IN SLOVAKIA

***Abstract:** The article focuses on possible warning signals that help to a company to reveal potential financial problems in the future that may lead to a bankruptcy or other distress. It categorizes companies as failed and successful and examines the accuracy to which warning signals and ex-ante models were accurate in hospitality businesses.*

***Key words:** bankruptcy, ex-ante analysis, financial distress, hospitality*

***JEL Classification:** M20, G33*

Introduction

The tendency of judging the company's business conditions is oriented on consideration of a long list of possible quantitative and qualitative parameters that are known as ratios, indicators, metrics, etc. The truth is, they just evaluate past activities or past results which cannot be changed (ex-post consideration). They have just declarative character and no relevant possibility to prevent the causes (mainly in case of negative changes), are able only to minimize or mitigate possible casualties or take corrective actions. Alternatively to these approaches, the methods aimed towards future are labelled as ex-ante analysis methods, financial distress models or bankruptcy prediction scores. Their information sources are still the same, since there do not exist any documents automatically predicting or forecasting future results in details. But whereas ex-post analysis tells us what happened till now or how company looks as to its accounting statements structure, ex-ante analysis helps us to find out, how the situation and financial conditions would look like, whether we can await flourishing business or prepare for possible problems, eventually loss or bankruptcy. Almost each prediction model is based on simple assumption that before every major crisis the company indicates the future problems for a longer time period. Such indications or anomalies denote financial problems and may help just to those companies which are in some way threatened. Those symptoms may be expressed differently, primarily like changes in the size of indicator, its variability during the time, its dynamics, etc. (Lesáková et al, 2007). As there exist a lot of various methods for capturing positive or negative trends, the authors of models utilized diversified set of procedures.

Following article analyses the forecast of company's financial distress on the example of 90 business entities from hospitality industry in Slovakia and testifies the accuracy of selected models 5 years prior to their identification as failed or successful.

Material and methods

The objective of submitted article is to testify the validity of selected bankruptcy or solvency models on the sample of 90 companies from hospitality industry (hospitality as their dominant activity). 45 companies were selected from the list of so called bankruptcy companies (they entered to a bankruptcy within the period of 2009-2014). As a bankruptcy status (failed companies) was selected the situation specified by the Slovak law on bankruptcy and restructuring. Second half of the sample (successful ones) was comprised from the companies with ROA bigger than 15 %. In spite of the fact that for example Zmijewski rejected equal samples of both groups (Gundová, 2014), we inclined to balance them as did the most of bankruptcy models' authors. Research sample was examined with usage of Altman Z-score (1968), IN05 (Neumaierová, Neumaier, 2005), Taffler model (1982), Ohlson logit model (Lee et al, 2009) and Zmijewski probit model (1984). We came out from the basic assumption about early warning signals, so the analysis for selected companies was realised five, three and one year before the company was categorized as failed or successful. In case of unclear situation (companies in grey zone) the accuracy of criteria was not considered.

Firstly, we chose a list of companies that fulfilled above mentioned criteria. Than we calculated 10 most typical indicators and compared results of failed and successful companies in the past. According to median values of indicators we chose those, which were significant for failed of successful companies and quantified the number of correctly categorized companies in both groups. A simple test of expected future was realized with application of Law on bankruptcy and restructuring and amendment of Commerce code valid since 2016, so we identified companies with „real“ financial problems. According to the law we testified the possibility of over indebtedness (negative equity). According to second one we testified so called „institute of crisis“ stating that the relation of equity and debt should not be lower than 8 %. Finally, we applied existing models for the ex-ante analysis of companies' future and identified models that were the most accurate for the needs of bankruptcy prediction in hospitality industry.

Publicly available accounting statements were used as a source of information. Commercial database was used for selection of companies according to their median values and compilation of research sample. For the analysis we utilized multivariate models, logit and probit models that were complemented with basic descriptive statistics, mathematical and graphical depiction.

Results

After both groups of companies were identified, we compared their relative indicators in the effort to see, whether failed companies tend to indicate worse results or, on the contrary, successful companies better results. We confirmed that current ratio, current assets turnover, daily sales in payables, return on assets, return on equity, return on sales, debt ratio and interests coverage were significantly better in case of successful companies. Only the total assets turnover was better in failed companies. As to the time, it was obvious that in failed companies during the five years development the situation was getting much worse, while in successful ones the situation was rather stable (standard deviations were bigger in failed companies in all indicators). In failed companies the biggest downfall was noticed in current ratio, debt ratio and interest coverage as the most visible changes in time.

Later we decided to keep an eye on „warning signals“ that should be taken into consideration when a company is analysed and possible bankruptcy candidates are identified. The most significant signals were given by bankruptcy models, but first of all we wanted to apply less complicated and more obvious proofs of possible financial threats.

According to Slovak Law on bankruptcy extreme insolvency is one of the reasons why companies are going bankrupt (it has more than one creditor and is unable to pay due debts for longer than 30 days) or overindebtedness (debtors' due debts exceed the value of total assets). As we were not able to examine the first condition (lack of data), we focused on second reason that is easily confirmed or rejected through negative equity. Slovak hospitality businesses (in general as industry) are lossy for almost a decade. Therefore, such a long time in a loss made a huge pressure on equity value, thus making companies' equity to be negative. Results in table 1 showed that successful companies suffered less from negative equity, while failed ones showed extreme indebtedness (mainly one year prior to analysis).

Slovak legislation after the last amendment of Commerce code introduced (since January 1, 2016) so called institute of crisis, that is less strict as above mentioned bankruptcy, but still points at companies in problems. Results of companies' identification were similar. In addition to previously stated legislation issues we added other less complicated but certainly very important warning signals that may indicate problems to come. We decided to distinguish between failed and successful companies as to the suffered loss, negative net working capital, negative cash flow, as well as extraordinary liabilities the company may raise to partners and own association (the last one because of simple expectation that companies in the effort to overcome capital problems, cumulated loss and negative equity looks for additional capital sources among its owners/stakeholders). Data in the next table describes warning signals in both groups five, three and one year prior to analysis. Last columns identify how accurately was the company categorized as failed or successful and thus they identify which criteria suit the best as a warning signals.

Table 1: Warning signals in failed and successful companies and accuracy in their categorization

<i>Status</i>	<i>Failed</i>			<i>Successful</i>			<i>Correct grouping</i>		
Data prior to categorization	5	3	1	5	3	1	5	3	1
Negative equity	67%	73%	93%	27%	33%	33%	70%	70%	80%
Equity/debts < 0.08	73%	87%	93%	33%	40%	60%	70%	73%	67%
Loss	87%	80%	93%	47%	60%	53%	70%	60%	60%
Negative net working capital	80%	93%	100%	53%	60%	60%	63%	67%	70%
Negative CF	47%	67%	60%	53%	60%	47%	47%	53%	57%
Extraordinary liabilities to partners and association	33%	33%	27%	40%	33%	33%	53%	50%	53%

Source: Own processing, 2015.

Similarly to previous steps we continued with application of distress models. We calculated all indicators needed for appropriate model, calculated the final score and categorized the company as failed or successful. Data in the table shows whether the initial categorization equals (and how much) to the categorization after the distress was predicted.

Table 2: Accuracy of prediction models in both categories

<i>Status</i>	<i>Failed</i>			<i>Successful</i>		
Years the data is prior to categorization	5	3	1	5	3	1
Altman	87%	93%	100%	47%	33%	27%
Taffler	60%	53%	87%	40%	27%	27%
IN05	73%	87%	87%	40%	33%	20%
Ohlson	80%	73%	80%	67%	73%	40%
Zmijewski	80%	73%	87%	80%	73%	67%

Source: Own processing, 2015.

The results showed that all models are highly accurate in failed companies just one year before the bankruptcy.

Discussion

There exist plenty of signals that the company may fail, like lowered sales, lowered cash collection, increased payback periods, increased debt, but they are too general to be taken too seriously in common business. In hospitality many of them may be neglected due to possible seasonality. Moreover, many times the companies themselves are „blind“ in their revelations – managers consider situation subjectively, rely just on accounting statements or

try to project a company favourably even in case of problems (accounting window dressing). As was visible from both tables, some results are attracting attention to signals that are anyway connected with accounting, but not complicated as to availability. In failed companies low equity/debt portion and negative net working capital showed extraordinary success in predicting bankruptcy 3 years before it happened. The situation one year prior bankruptcy was even more successful. In case of distress models the set of examples that were chosen for analysis, confirmed the accuracy of categorization and prediction. Only the Taffler model showed lower success, except of one year prior to problems. Altman's Z-score for non-manufacturing companies and IN05 model's accuracy of 93, respectively 87 % in failed companies was extraordinary. On the other hand, and this is visible in both tables, warning signals and distress models are more accurate rather in identification of failing companies, than in successful. Anyway, general application of whatever distress model may be misleading, as industry's specifics, economic development, business cycles, etc. may limit its usage in different environments. In its initial test (Tatum, 2011), the Altman's Z-Score was found to be 72 % accurate in predicting bankruptcy two years prior to the event, while its application in hotel industry was 88.24 % accurate, although industrial companies model was applied on hotels (Diakomihalis, 2012). Therefore above mentioned short examination will continue, more data for more companies will be involved and other trends and specifics of hospitality industry in Slovakia will be investigated.

Conclusion

Methods within ex-ante financial analysis serve as a prognosis of possible future results, solvency or insolvency. They are based on current or even past financial results and on financial indicators of exactly the same construction as were those used previously in ex-post analysis. Submitted article on the example of hospitality businesses in Slovakia confirmed that the manager/owner should be careful when relying on distress models without their detailed understanding. As the results showed, Taffler model was less acceptable because of its lower accuracy five or three years prior to the bankruptcy. On the other hand, Altman's model for non-manufacturing companies and IN05 models were proved to be very successful. Among the common warning signals negative equity, equity/debt relation, loss and negative net working capital together were considered to be accurate in case of bankruptcy prediction. Moreover, we concluded that both signals and models are more proper in cases of failure prediction than in case of possible success.

Literature

- [1] Altman, E. 1968. Financial ratios, discriminant analysis and the prediction of corporate bankruptcy. In *Journal of Finance*, vol. 23, No. 4, 1968. ISSN 1540-6261. pp 589-609.
- [2] Diakomihalis, M. 2012. The accuracy of Altman's models in predicting hotel bankruptcy. In *International Journal of Accounting and Financial Reporting*, vol. 2, no. 2. ISSN 2162-3082. pp 96-113.
- [3] Gundová, P. 2014. Verification of the selected prediction methods in Slovak companies. In *Acta academica karviniensia*, No. 4, 2014. ISSN: 1212-415X. pp 26-38.
- [4] Lee, A. C., Lee, J. C., Lee, Ch. F. 2009. *Financial analysis, planning and forecasting. Theory and application*. 2nd edition. Singapore: World Scientific Publishing Co., 2009. 1136 p. ISBN 978-981-270-608-9.
- [5] Lesáková, V. et al. 2007. *Finančno-ekonomická analýza podniku*. Banská Bystrica: Univerzita Mateja Bela, Ekonomická fakulta, 2007. 208 p. ISBN 978-80-8083-379-4.
- [6] Neumaierová, I., Neumaier, I. 2005. Index 05. In *Evropské finanční systémy*. Sborník příspěvků z mezinárodní vědecké konference, 2005. ISBN 80-210-3753-9. pp 143-148.
- [7] Ohlson, J., 1980. Financial ratios and the probabilistic prediction of bankruptcy. In *Journal of Accounting Research*, vol. 18, No. 1. ISSN 1475-679X. pp 109-131.
- [8] Taffler, R. J. 1982. Forecasting company failure in the UK using diskriminant analysis and financial ratio data. In *Journal of the Royal Statistical Society*, vol. 145, no. 3. ISSN 1467-9868. pp 342-358.
- [9] Tatum, T. 2011. *Turning black ink into gold*. eBookIt.com, 2011. 98 p. No ISBN.

Contact information

Ing. Ľuboš Elexa, PhD.

Department of corporate economics and management

Faculty of Economics, Matej Bel University

Tajovského 10

974 01 Banská Bystrica

Slovak Republic

T: (+421) 48 446 2711

E: lubos.elexa@umb.sk

Description of the author

Luboš Elexa is university teacher and researcher at the Department of corporate economics and management. He focuses in his work on corporate financial analysis, financial and business planning in SMEs.

Ing. Ludmila Šmardová, PhD.
Department of Tourism and hospitality
Faculty of Economics, Matej Bel University
Tajovského 10
974 01 Banská Bystrica
Slovak Republic
T: (+421) 48 446 2214
E: ludmila.smardova@umb.sk

Description of the author

Ludmila Šmardová is university teacher and researcher at the Department of Tourism and hospitality. She focuses in her work on business environment, regional branding, tax and tax systems, primarily within tourism.

INFORMATION PAPERS

Eva Ducháčková, Jarmila Radová, Jaroslav Daňhel

THE ROLE OF THE INSURANCE OF TOUR OPERATORS AGAINST BANKRUPTCY IN THE CONDITIONS OF THE CZECH REPUBLIC

***Abstract:** The insurance of tour operators was introduced to ensure the protection of their clients. The insurance of tour operators is guarantee insurance. From the point of view of the theoretical definition of the nature of insurance as a financial category within the framework of the insurance of tour operators, some theoretical principles are not maintained, which gives rise to problems connected with the functioning of that type of mandatory insurance. The aim of this contribution is to evaluate the ability of insurance to resolve the negative impact of the financial problems of tour operators and to indicate further possible solutions.*

***Key words:** financial risk, guarantee insurance, insurance pool, insured sum, net risk, tour operator*

***JEL Classification:** G22, G29, G30*

Introduction

The insurance of tour operators was introduced in the Czech Republic as mandatory contractual insurance in the year 2000 (October 1st). The reason for the legal regulation of the activity of tour operators and the introduction, at the same time, of the mandatory insurance of tour operators in the Czech Republic against bankruptcy was the attempt to solve the problems connected with the functioning of tour operators in the second half of the 1990s. During that period, tour operators were going bankrupt, with a negative impact on their clients (in 1997 alone, six thousand clients of tour operators got stranded abroad without any provision of repatriation). These problems were caused by the rapid development of the tourist industry in the 1990s, which was connected with the growth in the number of tour operators (in 1989, there were only six tour operators in Czechoslovakia, while in 1990, the number had already reached 600). Insurance is one of the tools that can be used to relieve the negative impact of the bankruptcy of tour operators

on their clients (no provision of repatriation and no financial compensation for services paid for but provided only in part or not all). In addition to insurance, tools such as a guarantee fund, a pledged deposit or bank guarantee may also be used.

Material and methods

This contribution is based on theoretical approaches to the nature of insurance and the principles of the functioning of insurance as a financial category and other financial tools which can be used to cover the financial risks of tour operators. In addition to theoretical knowledge and sources from the field of insurance theory, we have used relevant legal regulations and specific information about experience with the functioning of the insurance of tour operators.

We have used the descriptive method and the historical analysis method, as well as the logico-analytical method.

Results

Mandatory insurance of tour operators

The insurance of tour operators against bankruptcy was introduced in the conditions of the Czech Republic in the form of mandatory contractual insurance. That means that taking out insurance is a precondition for the commercial activity of a tour operator, a tour operator being defined as "commercial entity, which, on the basis of a concession, is authorised to organise, offer and sell excursions" [1]. The term "excursion" is taken to mean the combination of at least two of the following services:

- transport;
- accommodation;
- other tourist services constituting a significant part of the excursion, or whose cost constitutes at least 20 % of the cost of the excursion [1].

This means that mandatory insurance does not apply to the services of so-called travel agencies, neither does it apply to those services offered by tour operators which do not fall within the definition of an excursion (individual tourist services, the sale of objects connected with tourism etc.).

The insurance of tour operators is, by its nature, guarantee insurance, that is, insurance which is meant to cover the obligations which the insurance policy holder has towards other parties. According to the law governing this type of insurance, the function of the insurance

is to cover losses incurred by the clients of a tour operator in the event of its bankruptcy, namely:

- the total lack of provision of a purchased service;
- the failure to provide contractual services in the location of the excursion (for example, failure to provide a transfer from an airport, or a lack of accommodation);
- failure to provide repatriation to the client's home country;
- interruption of the client's stay;

From the point of view of insurance theory, the question of the nature of the risks covered when applying the mandatory insurance of tour operators is a problematic one. According to insurance theory, insurance as a financial category is focused on covering so-called net risks [2], the negative impact of which is determined by completely random factors. The opposite of net risks are so-called calculated risks, which can be influenced by an interested party. From a theoretical point of view, the character of this type of insurance is, therefore, questionable, as the major causes of the bankruptcy of tour operators include the wrong business plan, the underestimation of risks, a decline in demand, a too narrow focus on a particular type of tourism or region, and the devaluation of the Czech crown (In the past, the cause of the bankruptcy of tour operator sometimes turned out to be fraudulent practices, or even the establishment of a tour operator with the intention to commit fraud). The fact that the insurance of tour operators is in conflict with the very nature of insurance as a financial category gives rise to some problems connected with the operation of that type of insurance.

An insurance pool

The provision of insurance to cover the bankruptcy of tour operators has meant, since October 2000, on the one hand, a new business opportunity for insurance companies, while, on the other hand it has been a relatively questionable product. The insurance companies were given the task of introducing a new type of product (at that time, even guarantee insurance was not widespread on the Czech market). They had no experience of covering that type of risk. Before offering insurance products, it is necessary first to determine the presumed size of the possible indemnity payments in order to set the level of the insurance premium. In the case of the insurance of tour operators, it is necessary to evaluate the seriousness of the risk (financial risk). When an insurance product is introduced it is very complicated to evaluate in advance the probability of bankruptcy and the extent of the damage it may cause.

Concerns about the size of the risk (especially following the development in the second half of the 1990s) led the insurance companies to unite in a co- insurance pool [3], in order to cover the possible impact of the risks. A co-insurance pool is a voluntary association of insurers established to create a greater insurance portfolio and joint cover of large-scale insurance events. At the same time, a co-insurance pool means that the associated insurers

offer an insurance product under the same conditions, and that one insurer is empowered to do business in the name of all the members of the pool. It also means that the co-insurance pool can hedge its assets as whole. This characteristic clearly means that, on the one hand, risks are covered jointly, while on the other hand the pool has an impact on the principles of market competition. That is why the pool was granted a two-year exception for its activity by the Office for the Protection of Competition valid from 12. 1. 2001 [4].

Table 1: Structure of the co-insurance pool [5]

<i>Insurer</i>	<i>Share in %</i>
Allianz pojišťovna	11.11
Česká podnikatelská pojišťovna	11.11
Česká pojišťovna	11.11
Česko-rakouská pojišťovna	5.56
ČS – Živnostenská pojišťovna	11.11
Generali Pojišťovna	16.67
IPB Pojišťovna	11.11
Kooperativa pojišťovna	11.11
Komerční pojišťovna	11.11
<i>Total without reinsurance</i>	<i>100.00</i>

Membership of the pool (see Table 1) brings several advantages, above all:

- the distribution and minimisation of risk through the acquisition of quality reinsurance abroad and also the reduction of administrative costs;
- a certain amount of standardisation of the evaluation of risks of those parties interested in insurance, which contributes to the harmonisation of the insurance conditions of tour operators of comparable type;
- a simpler system for the clients thanks to the centralisation of the reporting of loss occurrence and the harmonisation of conditions for the payment of damages.

The division of capacity within the pool means that when there is an insurance claim incurring indemnity of less than 45 million Czech crowns, the amount is paid out by the members of the pool according to a given ratio. If the indemnity exceeds that amount, the difference between the amount to be paid and 45 million Czech crowns is covered by the reinsurer up to the total capacity of the pool (to a maximum of 150 million Czech crowns). If the amount required to cover exceptionally high risks exceeds that total capital, the leading insurer provides individual reinsurance to the required amount.

During the autumn of 2002, the Office for the Protection of Competition issued a ruling [6] which extended the validity of the exception from the ban on an agreement on a joint approach by insurers towards guarantee insurance in the case of the bankruptcy of a tour operator until 31. 12. 2003. Nevertheless, the granting of that exception was subsequently restricted by several conditions, which were, however, not fulfilled by the insurance

companies (for example, the setting of a unified tariff scale, the lack of individual reinsurance, and, above all, the lack of competitive insurance). For that reason, the insurance pool terminated its activity at the end of 2003, which, in fact, led to the demonopolisation of the market for that type of insurance.

At the beginning of 2004, there were only five insurers on the market who offered insurance against the bankruptcy of a tour operator¹. During the course of the following years, the structure of that market has changed. Currently, the insurance of tour operators is offered by a relatively small number of insurance companies: Česká podnikatelská pojišťovna, ERV pojišťovna, Generali pojišťovna, Slavia pojišťovna, UNIQA pojišťovna, and the Slovak insurance company Union. This lack of interest in providing insurance for tour operators is due to the nature of the insurance, its level of risk and problems connected with providing insurance as a matter of principle.

Other possible ways of resolving the impact of the bankruptcy of a tour operator

Alongside mandatory insurance, there are other ways of resolving the impact of the bankruptcy of a tour operator on its clients, principally a guarantee fund, a pledged deposit, bail bond insurance, or a bank guarantee.

A guarantee fund is a solidarity fund, to which all tour operators would contribute (each tour operator would deposit a certain amount on the setting-up of the fund, while in the following years the tour operators would contribute according to their takings.) This approach would require the establishment of an institution to administer the guarantee fund. This model is used in several European countries (for example, Denmark, France and Sweden).

In the case of a pledged deposit, each tour operator would open an account, in which a prescribed sum of financial resources would be deposited. The problem with this approach is the fact that, in the case of the bankruptcy of a tour operator, the pledged account would become part of the bankrupt company's estate, the immediate payment of indemnity would not be ensured and the clients would not obtain satisfaction.

Another form of deposit is so-called bail bond insurance. Money is deposited with a commercial insurance company, and, in the case of the bankruptcy of the tour operator, the deposit is used to repatriate the clients and, through insurance, to ensure a refund.

A bank guarantee is created by the declaration in writing by a bank in a letter of guarantee that it will compensate the creditors to the amount specified in the letter of guarantee, should the tour operator not fulfill its contractual obligations. Before providing the bank

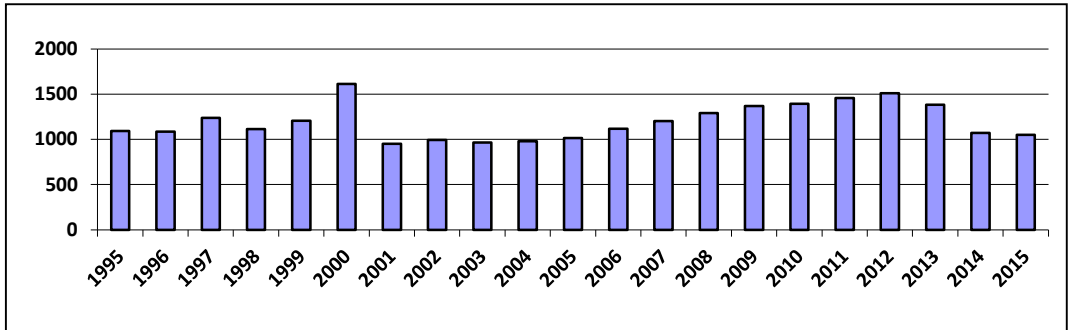
¹Česká podnikatelská pojišťovna, Generali pojišťovna, Česká pojišťovna, Uniqa pojišťovna, Kooperativa pojišťovna.

guarantee, the bank would check the financial state of the tour operator, just as an insurance company would before insuring the tour operator, except that, of course, the bank, unlike the insurance company, would not ensure the return of the clients' money.

Problems connected with the insurance of tour operators

There is a relatively large number of tour operators on the Czech market (see Graph 1). The tour operators are insured by six insurance companies (see Table 2).

Graph 1: Number of tour operators on the Czech market



Source: Statistics on tour operators, Ministry for Local Development, available at www.mmr.cz [7]

Table 2: Distribution of tour operators insured by individual insurance companies (2014)

<i>Insurance companies</i>	<i>Number of insured tour operators</i>
Generali pojišťovna	296
Česká podnikatelská pojišťovna	340
ERV pojišťovna	126
UNIQA pojišťovna	107
Slavia pojišťovna	19
Union pojišťovna	161
<i>Total</i>	<i>1,049</i>

Source: Insured tour operators, Ministry for Local Development, available at www.mmr.cz [8]

Tour operators are obliged to take out insurance, although there have, of course, been cases where that obligation has not been fulfilled. If the insurance of a tour operator expires and the operator continues to sell excursions, the lack of insurance usually only becomes apparent when a problem arises. In the case of a formerly insured, but now uninsured tour operator, according to the principles of insurance, the insurance company which insured the

tour operator does not pay out indemnity to the tour operator's clients. Practically speaking, from the point of view of the timescale of the insurance of tour operators, the principle of loss occurrence is applied, which means that insurance applies to excursions sold during the period when the tour operator's insurance policy was valid, even if the loss occurs when the policy is no longer valid.

In addition, there is a problem with the definition of the term "excursion", which is the subject of the insurance. If a tour operator intentionally divides the services it offers into parts (for example, accommodation, transport), the services of the operator are no longer insured and, in the case of bankruptcy, the clients have no claim to indemnity.

Another problematic issue is the size of the insured sum. According to the law, a tour operator must take out insurance to cover a sum equal to at least 30 % of its annual planned takings from the sale of excursions. At the same time, the size of the insured sum has an impact on the insurance premium (alongside other factors such as the destination countries of the excursions, the means of transport, the evaluation of the creditworthiness of the tour operator, the structure of its assets, its liquidity etc.). If the insured sum is underestimated and an insurance claim is made, the insurance company, according to the principles of insurance, pays out indemnity only up to the agreed insured sum. In some cases this situation has arisen following the bankruptcy of tour operators. The clients did not receive indemnity in full. In some cases this has led to litigation, and some insurance companies have been required to pay indemnity greater than the agreed insured sum. This approach displays a lack of understanding of the principles of insurance, as insurance companies, when taking on risks by ensuring them, and when evaluating the risks (in order to set the insurance premium), base their decisions on the insured sum. An insurance company cannot assume the pay-out of indemnity greater than the agreed insured sum. If that were required of an insurance company, it would mean the possibility of moral hazard on the part of the tour operators and the rejection of the basic principles of insurance theory. It would also be in conflict with the rules on the economic activity of insurance companies, especially those rules found in the law on the insurance business (any proposed law on the tourist industry requiring insurance companies to pay indemnity greater than the agreed insured sum could deter commercial insurance companies from offering that type of insurance). One proposed solution to these problems is to set a minimum insured sum, which, of course, is also problematic because of the diverse sizes of tour operators (measured by takings).

Insurance is a tool used to solve the problem of randomness, which is why the requirement to pay out indemnity even in cases where the bankruptcy of a tour operator has demonstrably been caused intentionally, which may generally be called insurance fraud, is wrong (in other branches of insurance, indemnity is not paid in cases where there is proof of insurance fraud).

In the light of the number of bankruptcies of tour operators in different years (see Table 3), and the fact that in many cases the agreed insured sum was insufficient, it is necessary to deal with these issues effectively.

Table 3: Number of bankruptcies of tour operators

<i>Year</i>	<i>Number of cases</i>
2001	3
2002	4
2003	5
2004	4
2005	4
2006	1
2007	3
2008	1
2009	3
2010	9
2011	10
2012	8
2013	5
2014	3

Source: Number of bankruptcies of tour operators, Ministry for Local Development, available at www.mmr.cz [9]

The primary solution involves a combination of tools (a multi-level solution), that is, the existence of the mandatory insurance of tour operators and, at the same time, a guarantee fund. This approach would mean that, in standard cases, the insurance company would cover losses up to the value of the agreed insured sum. If damages exceeded that sum, the clients' indemnity would be covered by the guarantee fund. Bail bond insurance could be used instead of a guarantee fund. The use of, for example, a bank guarantee to cover indemnity would be problematic in cases of fraudulent dealings.

Discussion

In theory, the role of insurance in cases of the guarantee insurance of tour operators is clear. Of course, from a practical point of view, there is a lack of understanding of the nature and role of insurance. The question remains: How, specifically, to combine insurance with another tool to cover the impact of the bankruptcy of a tour operator on its clients, and how, exactly, to determine the level of the insured sum?

Conclusion

The insurance of tour operators against bankruptcy has been selected as the tool for resolving the impact of the bankruptcy of a tour operator on its clients. The state solves these problems by transferring the task to commercial insurance companies. Attempts to extend the coverage of insurance to cases in which the indemnity paid exceeds the insured sum, or in cases of fraudulent dealings, are in conflict with the principles of the way insurance works. On the whole, the insurance of tour operators against bankruptcy is a non-standard insurance product, as it is focused on resolving losses incurred in the course of commercial activity as a result of an inappropriate business plan or a focus on an unsuitable region for excursions. To a certain extent, the existence of insurance may even lead to moral hazard in the tourist industry.

Unfortunately it is not possible to use insurance to cover the financial damages incurred always fully (having regard to the nature of insurance). If it is necessary greater consumer protection, will be the solution in a combination of compulsory insurance with other possible instrument, for example the Guarantee Fund. Claims of damaged clients of travel agents over the agreed limit within the insurance could be covered by the Guarantee Fund.

Literature

- [1] Zákon č. 159/1999 Sb., (Law no. 159/1999 Sb.,) on certain conditions of commercial activity and the performance of certain activities in the field of tourism, available at <http://www.podnikatel.cz/zakony/zakon-c-159-1999-sb-o-nekterych-podminkach-podnikani-v-oblasti-cestovniho-ruchu-a-o-zmene-zakona-c/>
- [2] Rejda, G. E. *Principles of risk management and insurance*. Boston: Addison-Wesley, 2005. ISBN 0-321-23687-4.
- [3] Ducháčková, E. *Principy pojištění a pojišťovnictví*. (Principles of insurance and the insurance business) 3. vyd. Praha: Ekopress, 2009. 224 p. ISBN 978-80-86929-51-4.
- [4] *Ruling of the Office for the Protection of Competition on the granting of an exception*. Available at [www: <http://kraken.slv.cz/UOHSS001/2000>](http://www.kraken.slv.cz/UOHSS001/2000)
- [5] Internal sources of the company Etics ITP, s.r.o.
- [6] *Ruling of the Office for the Protection of Competition on the granting of an exception*. Available at [www: http://www.compet.cz/hospodarska-soutez/sbirky-rozhodnuti/903/](http://www.compet.cz/hospodarska-soutez/sbirky-rozhodnuti/903/)
- [7] Statistics on tour operators, Ministry for Local Development, Available at [www: http://www.mmr.cz](http://www.mmr.cz)

- [8] Insured tour operators, Ministry for Local Development, Available at [www: http://www.mmr.cz](http://www.mmr.cz)
- [9] Number of bankruptcies of tour operators, Ministry for Local Development, Available at [www: http://www.compet.cz/hospodarska-soutez/sbirky-rozhodnuti/903/](http://www.compet.cz/hospodarska-soutez/sbirky-rozhodnuti/903/)

Contact information

Prof. Ing. Eva Ducháčková, CSc., doc. RNDr. Jarmila Radová, Ph.D.
Department of Banking and Insurance
Faculty of Finance and Accounting
University of Economics Prague
nám. W. Churchilla 4
130 67 Prague
Czech Republic
T: (+420) 224 095 102
E: duchack@vse.cz, radova@vse.cz

Description of the authors

The authors work at the Department of Banking and Insurance at the University of Economics, Prague. Their scientific activity and publications are focused on issues of insurance and banking theory.

Iveta Fodranová

UTILIZATION OF BEHAVIORAL MODELS FOR DETERMINATION OF SOCIO-CULTURAL FACTORS FOR THE INVESTIGATION OF SOCIAL CAPACITY OF OUTDOOR RECREATION

***Abstract:** To have appropriate recreation planning, therefore, we need to consider social and cultural factors. The neglect or inaccurate analysis of the demands of the subject leads to behavioral misconducts, which are reflected in economic productivity with impact on the entire society. Determination of the optimal parameters of the social carrying capacity has positive economic effects and becomes a growing generator of the job opportunities. The contribution highlights the dominant status of the residents as the key factor in the planning of outdoor recreation.*

***Key words:** behavioral model, carrying capacity, outdoor recreation, socio-cultural factors*

***JEL Classification:** L83, A13*

Introduction

Traditionally, the recreational activities and facilities are planned in the offices with use of the descriptive information, usually without the involvement of participants. The usual outcome of this approach is a mismatch between the offer and the demand which results in non-optimal satisfaction of the demand of the visitors. If recreation should succeed within a community, residents must be willing partners in the process of its formation. Comprehensive planning for outdoor recreation should consider residents' behavior which is not universal and constant. The aim of this study is an explanation of the connections between behavioral model of the visitors and a social capacity of the outdoor recreation. To have appropriate recreation planning, therefore, we need to consider social and cultural factors which influence evaluations of crowding. Concept of crowding has become closely associated with terms of level of use and visitor satisfaction. The purpose of this study is also to find the potential demand for outdoor activities in Slovakia and to select a suitable behavioral model for determination of social and cultural factors for investigation of social carrying capacity of outdoor recreation in Slovakia.

The outdoor recreation is defined in literature from various viewpoints. As a societal phenomenon, the outdoor recreation is a product that has been developed in modern

industrialised and urbanised society (Sandell, K. & Sörlin, S. 2008). A succinct definition of the outdoor recreation is offered by Moore, R. L. and Driver, B. L. (2005), as "experiences that derive from recreation activities in and depending on the natural environment." Ibrahim, H., Cordes, K. A. (2008) suggested a definition that is more conceptual "outdoor recreation is defined as organized, free-time activities participated in for their own sake and where there is an interaction between the participant and an element of nature". In line with the above discussion, it is possible to identify common elements:

- "voluntary participation;
- leisure time;
- enjoyment and satisfaction;
- positive results for an individual.

It is personal response and psychological reaction" (Phipps, M. L., 1986, 1991).

Numerous studies have focused on the theoretical antecedents of behavioral responses (Skinner, B. F. 1953; Hersen, M. 2005) but it is still very few studies have been conducted on the relationship between behavior and environment (Tharp, R. G. & Wetzel R. J. (1969; Lehman, P. K., Geller, E. S. (2004)). Human behavior is conceptual; hence, its interpretation can be based on environmental factors. In order to understand the behavior, it is inevitable to have a clear picture of influencing factors. "Each person is born into a social and cultural setting – family, community, social class, language, religion – and eventually develops many social connections. To know the social and cultural settings into which they are born, people voluntarily join groups based on shared occupations, beliefs, or interest" (Science for All Americans, 2013). This paper dedicates the attention to the importance of socio-cultural factors necessary for successful planning of the outdoor recreation of residents.

Material and methods

The methodical approach is based on the analysis of the relevant secondary sources of realized projects. Additional data comes from Statistical Office of Slovak Republic. The research is focused on identification of the implications and recommendation for management strategies associated with behavior of the participants of the outdoor recreation and social carrying capacity. To answer this research question we used secondary analysis to use existing pool of data because only secondary data can provide access to large sample sizes, relevant measures, and longitudinal data. We consider that the determination of the demand for outdoor activities (and not only in Slovakia) is a matter of finding long-term trends in expenditure on recreation and not a one-off primary research.

Results and Discussion

Searching for the behavioral link

Numerous authors reported different starting points of analysis of the outdoor recreation research (Shelby, B., & Vaske, J. J., 1991; Manning, R. E., Lime, D. W., Freimund, W. A., Pitt, D. G. (1996); Heywood, J. L. 2000). The most common and probably the most universal approach focuses on value system and lifestyle (Bryan, H. 1977) and their implication for the recreational behavior. It is notable, that even in this approach there is an evolutionary trend which is a shift towards contextualization of the recreational behavior itself. The behavioral model (Ap, J., & Crompton, J. L., 1993; Carmichael, B. A. 2000) of the participants of the outdoor recreation determines so called social carrying capacity which is an integral part of carrying capacity.

The concept of the carrying capacity has a relatively rich history. Initially, it was developed for the needs of biology and ecology (Ricci, P. F. 1976) where it signified the number of animals which have to be preserved to avoid the irreversible biological and ecological impacts. The ecological and biological character of the concept predetermined its application to protected areas. (Forbes, B. C. & Kumpula, T. 2009). Later, in agreement with the implementation of the principles of sustainability, it became relatively common method for the analysis of the capacity of other areas which need a threshold of the inadmissible impacts to the area. The concept of the carrying capacity made a smooth transition from application to protected areas, towards less protected or even non-protected areas, which are more and more encumbered by outdoor recreation. Wagar, J. A. (1964) developed the first formal exploration of the recreational carrying capacity concept. In this concept, he presented the following important ideas:

- In contrast to earlier characterizations of the carrying capacity as an inherent property of a place that can be determined, carrying capacity is not an absolute value;
- Carrying capacity depends on the needs and values of the people and can be only defined in relation to some management objective, and
- The need to limit the use can be reduced through other management actions such as zoning, engineering, persuasion and the management of biotic communities.

Wagar's idea led to a substantial expansion of the meaning of carrying capacity – from a focus on numbers of visitors to the entire topic of "how to plan and manage a particular recreation resource" (Lime, D. W. 1976; Manning, R. E., 1999; Zelenka, J. 2007; M. Pásková, M. 2008).

The physical carrying capacity can be defined as the maximum number of recreationists that physically fit into a defined area or setting. Then the calculation of physical carrying capacity (Sayan, M. S. & Atik, M., 2011) is straightforward and constant in time.

$$PCC = A \times N_a \times Rf \quad (1)$$

Where: PCC – physical carrying capacity

A – area for public utilization (recreational or touristic)

N_a – visitor per m^2

Rf – average time spent

The recreational areas are specific because they are unevenly loaded in time. This specific state causes overcrowding which is defined as a negative evaluation of a certain use level (Cole, D. N. & Steward, W. P. 2002). Quantification of the carrying capacity is determined at the peak time as

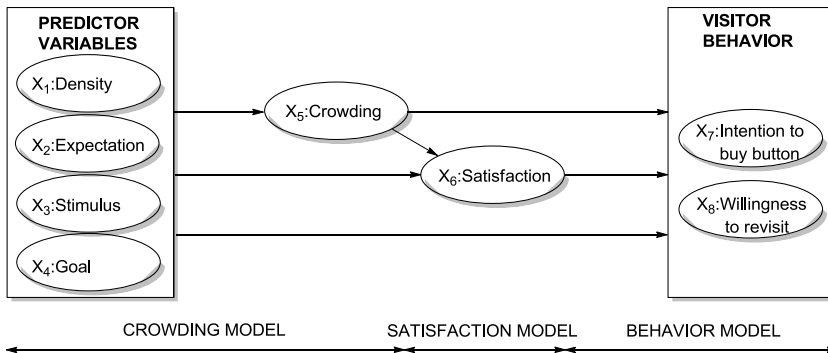
$$CC = \frac{\text{estimated number of visitors at peak time}}{\text{optimal number of visitors}} \quad (2)$$

The carrying capacity is exceeded when the percentage at peak use is greater than 1.

Exceeding the carrying capacity leads to overcrowding. Overcrowding can be easily determined but the impact of overcrowding on the evaluation of the quality of visitors' experience creates a new qualitative dimension. The quality of visitors' experience can be defined in its most generic form. The carrying capacity can be defined as an amount of recreational use above which unacceptable impacts will occur (Washburn, R. F. 1982) or as the amount of visitor use that can be appropriately accommodated within outdoor recreation area (Manning, R. E. 1999). Social carrying capacity can be defined (Shelby, B. & Heberlein, T. A., 1986, p. 21) as "the level of use beyond which social impacts exceed acceptable levels specified by evaluative standards" (here are three primary approaches to establishing evaluative standards: the contact preference standard, the visitor satisfaction and the perceived crowding approach). In EDAW (EDAW 2004b p.13) the social carrying capacity is connected with social impacts such as visitors' perceptions of crowding (assessed from survey data), perceived and actual conflict between different visitors groups and the number of encounters with other parties per day.

The importance of understanding the perceptions of the users in social carrying concept is highlighted in the European Commission's report: Defining, Measuring and Evaluating Carrying Capacity in European Tourism Destinations. This report states that "the number of visitors and compatibility of types of activities in an area without unacceptable decline of experience of visitors (European Commission, 2001)."

Diagram 1: Visitor experience and behavioral model of social carrying capacity: A conceptual model



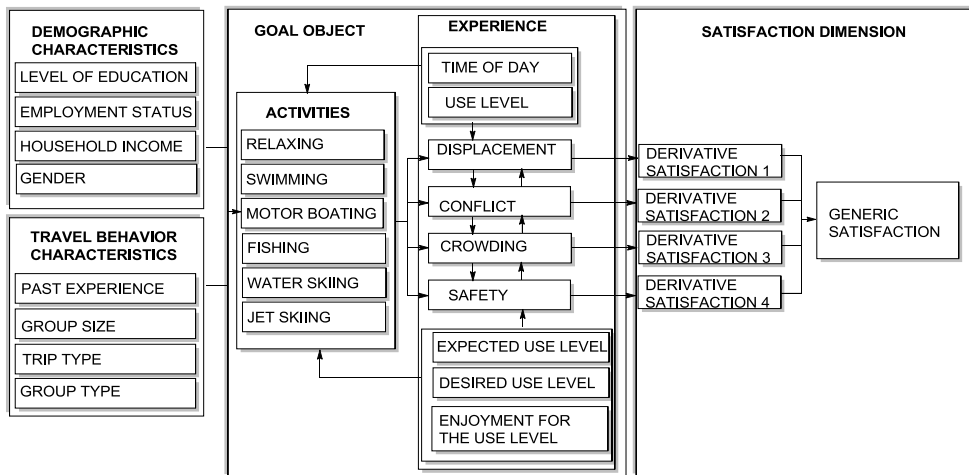
Source: Lee, H., (1998). Social carrying capacity of tourism planning at an alternative tourism destination: Crowding, satisfaction, and behavior, p.9.

A conceptual model of the visitor experience and behavioral model of the social carrying capacity were developed by including the interactions with a diversity of predictor variables. The resulting statistical analysis found a significant relationship between crowding perception on the one hand and the behavior of visitors on the other hand. Surprisingly, personal characteristics seemed much more important in determining crowding perception as compared with situational factors (Neuts, B. & Nijkamp, P., 2011). The idea of determination of the social carrying capacity is essentially a measure of crowding tolerance. It has been defined (Cumberbatch, J. & Moses, J., 2011) as the maximum visitor density at which they still feel comfortable and uncrowded. The most common method for determination of the crowding is a measurement of user's perception of crowding on the day of their visit. The great advantage of this method is the reducing the response bias. Perceptions can be measured using an n-point scale ranging from 1 (not crowded) to n (very crowded). Recreationists or tourists who have negative feelings of crowds in their destination will move on to less crowded settings or not visit again (Heberlein, T. A. 1977). This displacement or return behavior may be influenced by their experience and the evaluation of destination environments and other human behavior user needs. The social carrying capacity can however be influenced by such factors as the recreational infrastructure, visitor attitudes and socio-cultural norms (MacLeod, M. & Cooper, J. A. G. 2005). From this can be concluded that, even if the mathematical description of recreational infrastructure is not difficult, the description of the very subjective visitor's attitudes and socio-cultural norms is a challenge.

The key problem of the social carrying capacity is the visitor who behaves according to a certain mode. It is important to know what benefits the visitor expects. If the motivation of a recreation participant is known, the process of satisfaction of his needs is significantly

easier. Satisfaction is a goal of various recreational activities. Interpersonal relationships, social values and skills are interwoven with the activity (Bryan, H. 1977). Recreation activities reflect recreationists' socioeconomic factors such as level of education, employment status, household income and gender, and recreation behavioral factors including past experience, trip type and group size. Choice of the activity reflects recreationists' social and personal norms.

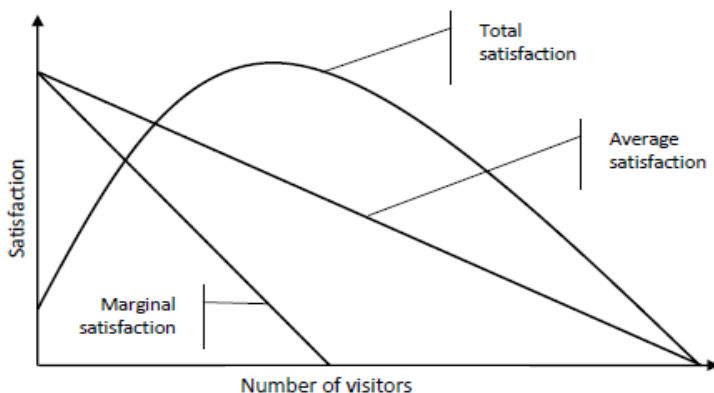
Diagram 2: Activity-Based Satisfaction Dimension Model in Social Carrying Capacity



Source: Kim, N. (1997) Structural approach of social carrying capacity and GIS, p. 8.

Kim (Kim, N. 1997) concluded that recreationists seemed to participate in different activities depending on social and economic status. The social status is determined endogenously; change of the status structure plays an important role in determining the effect on the economy. Demand are then determined as results of social and cultural factors. In the process of satisfaction, the need is generated as a result of arousal known as a drive or motive responding to relevant stimuli. These stimuli are called goal objects and they can provide rewards or satisfaction. The need-satisfaction sequence (Mannell, R. C. 1989) provides a logical flow for understanding the relation between impact parameters and factors of social carrying capacity and satisfaction. The degree of recreation satisfaction has been defined as positive perceptions or feelings forming an individual; it is elicited or gained from engaging in activities or visiting settings. It is the degree that the visitors are content or pleased with the experiences, conditions and/or situations (Dorfman, P, W. 1979; Manning, R. E., 2011). Satisfaction with the recreational activities and services is reflected by a repeated visit which should be an indicator of the recreational satisfaction.

Diagram 3: Relationship between increasing visitor use and satisfaction



Source: Nowacki, M. (2012), The model of satisfaction in outdoor recreation, p. 7.

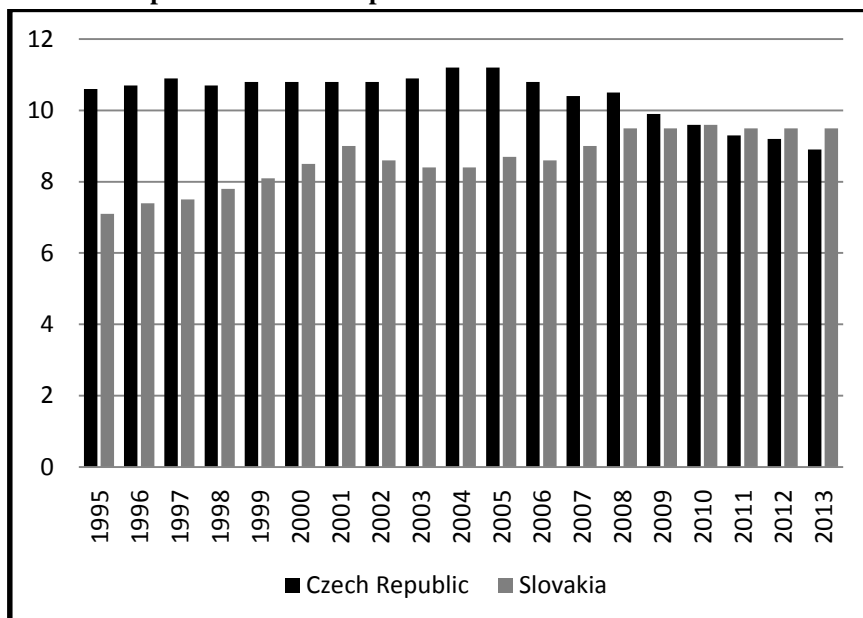
The model is used to describe the relation between the amount of visitors and the level of satisfaction. The level of satisfaction is high when the necessities and expectations of visitors are fulfilled. At the same time, managers should identify methods and tools appropriate for evaluating the satisfaction degree of the clients and for ensuring the loyalty of the most important clients. The effects of increasing the client satisfaction can be numerous, and they depend greatly on recreationists' social and personal norms.

Although there is a rich literature on behavioral models for the investigation of social capacity of outdoor recreation, not much attention has been given to social and cultural factors which have a strong influence on individual's behaviour. Due to complexity of their nature it is almost impossible to get to know complexity of these phenomena. During recent years have been too often used quantitative research methods. Despite the popular use of quantitative methods in research, the next phase of research would come back to using qualitative methods of research and to focus on develop new conceptions and understandings of the nature and content of the social phenomena related to behavioral modelling.

Recreation demand

The constantly increasing interest in outdoor recreation in Slovak republic is depicted in Graph 1. The graph illustrates positive attitude of the population towards recreation and is reflected by constantly increased expenditures on the recreation.

Graph 1: Household expenditure on recreation and culture



Source: Eurostat

Mentioned graph illustrates relatively surprising and diametrically different behavior of Czechoslovak households from the point of view recreation expenses. For long years, Czech households had expenses on recreation and culture disproportionately higher, then Slovak households. In the 90s this trend starts to change. Comparison of Slovak and Czech Republic shows balanced, relatively increasing proportion of expenses of households on recreation and culture and permanent decreases of expenses of Czech households. It is interesting, that the change of proportion of expenses to recreation was not influenced by financial crisis, when it is expected, that the households will switch to the cost-saving arrangements and the proportion will decrease in Czech and in Slovak households. Graph showed, that the decrease of the expenses on recreation and culture in Czech and in Slovak households arose before the financial crisis and Slovak households proportion of expenses practically did not change, despite the negative economic situation. Comparison showed, that the expenses of Slovak and Czech households were in year 2010 (maximum impact of financial crisis) equal, however since this ear proportion of recreation costs of Slovak households exceeded proportion of expenses of recreation of Czech households, while the difference of Slovak and Czech expenses become bigger every year. Since as it was mentioned, the financial crisis was not twist in the behavior in the households, the described changes can be attributed to socio-cultural factors that evoke difference in the attitude and behavior of the consumers. "Individuals from different cultures have different cultural values, mies of social behaviors, perceptions, and social interaction, which in turn the difference may affect the lifestyle, work patterns, how to relax and mingle or socialize with other people, and the patterns of their consumption behaviors" (Richardson, 1988 in Meng,

2010). Socio-cultural impacts include changes to individual behavior, value systems, cultural practices and community organisations (Andereck et al. 2005). Change in the behaviour of Slovak households was significantly affected by the political decisions which contributed to fundamental changes in the economy. They began by structural reforms and culminated in the adoption of Euro on 1 January 2009. The Slovak economy became very open (the third most open economy in the EU after Luxembourg and Malta, according to Eurostat data). The impact of globalization became more significant and lifestyle shifted toward the western culture. Interestingly, from this period (2008) the level of consumption of Slovak households per capita surpassed the level of Czech households, and retains lead. Limitation of quantification of expenditure on recreation and culture consists in the fact that many products recreational services are subsidized or have yet non-market character. Therefore they have been satisfied without these non-market services appeared in monetary expenditures, which greatly limits the application of the classical equations product-quality-price. Fully charging for products and services, and in particular eco-services, which are requested by recreation, would be clearly quantified the real demand. These measures, however would require a tax in the form of a reduction in the quality of life of individuals and communities, because that recreation is a key element of development of human potential.

This strong consumer demand creates a starting point for satisfaction of the need of outdoor recreation; however, it is necessary to note that the traditional view of the residential behavior is too simplistic and could be rejected or replaced with a new understanding of resident as a consumer who demonstrates particular actions of his behavior. This is the action related to the role of a resident, involving the needs, motivation, attitudes, values, personality and perceptions. Extra emphasis should be placed on the social action, activity-based understanding of the tourist behavior within the wider field of recreation, with the objective to identify the key socio-cultural factors, determining attitudes and behavior of the residents that facilitate or limit the participation in the outdoor recreational activities. An optimal framework for understanding visitor behavior with the identification of the most influential components of the visitor behavior is found in the theory of reasoned action (TRA; Fishbein, M., & Ajzen, I., 1975), the theory of planned behavior (TPB; Ajzen, I., 1991), base on three constructs: attitude, subjective norm and perceived behavioral control. The reasoned action model (RAM; Fishbein, M., & Ajzen, I., 2010) as an explanatory and predictive model for human behavior TPB identifies the most influential cognitive factors shaping the visitor behavior and seeking the understanding of the individual behaviors as the implementation of behavioral intentions that are formed by the application of attitudes and subjective normative assessments to consideration of the specific behaviors). Socio-cultural factors derived from the customs, traditions, perceptions and beliefs of an individual's culture thus become a key determinant of the social capacity of the outdoor recreation. Determination of the optimal parameters of the social carrying capacity has positive economical effects, and becomes a growing generator of the job opportunities.

Conclusion

The outdoor recreation economy is larger than most of people realize. It is a significant economic driver and at its core there is the outdoor consumer with his diverse interests which are determined not just by his income and demographic characteristics but also by socio-cultural factors influencing him. The starting point of the paper was qualitative content analysis of the elements which aid towards achieving optimal use of land and leads to resident satisfaction. We start from the simple premise that the visitor has some idea which kind of outdoors activities he wants to participate. His/her idea is determined by socio-cultural factors derived from the customs, traditions, perceptions and beliefs of an individual's culture. If the visitor does not find any possibility to satisfy his/her needs because of the environment then his/her behavior changes and frequently results in frustration or direct damage of the environment. The aim of this study was to highlight the dominant status of the residents as the key factor in the planning of outdoor recreation through behavioral models for determination of socio-cultural factors for the investigation of social capacity of outdoor recreation. It can be stated that the aim of the study was met. However given the complexity of the subject of the present study it can be viewed only as basis for further research.

Incorporation of the preferences into the behavioral model of the residents should be an obligatory part of the public planning of recreational opportunities. The recreational activities increase the quality of life of individuals and entire society. Hence, it is crucial to plan them according to the preferences of final consumers. Outdoor recreation is an inevitable part of the life of most people. A certain part of the activities disposes higher business potential (thermal aqua parks, summer festivals); even in the economically weaker areas with a lower purchasing power, the strong public pressure can exist for formation of the regional policies in the area of public recreation opportunities which is a key ingredient to healthy communities and contribute to a high quality of life.

Limits and future research

The human behavior is social, adaptive and is determined by a wide variety of influencing factors which interact in complex way and therefore all behavioral models in the planning have their limits. Weakness of all the behavioral models is always the choice of the indicators, their subjective character and their evaluation. Despite these flaws, the modelling should be continuously developed. Further difficulties are connected with the collection and interpretation of data. Future research should be focused on the improvement of collection and interpretation of data. Different perceptions of benefits of the outdoor recreations among ethnic and cultural minorities in the society should be analyzed since, as was told by Shafer (Shafer, 1969), "the average camper who doesn't exist". Much work remains to be done in this area. Furthermore, there is a great need to learn more about the behavioral models for determination of socio-cultural factors for the investigation of social capacity which can be the key to a sustainable development.

Literature

- [1] Alldredge, R. 1973. Some capacity theory for parks and recreation areas. *Trends. 10*: pp 20-29.
- [2] Ajzen, I., Fishbein, M. 1980. *Understanding attitudes and predicting social behavior*. Englewood Cliffs, NJ: Prentice-Hall.
- [3] Ajzen, I., 1991. The theory of planned behavior. *Organizational Behavior and Human Decision Processes*, 50, pp 179-211.
- [4] Ajzen, I. 2012. *The theory of planned behavior*. In P. A. M. Lange, A. W. Kruglanski & E. T. Higgins (Eds.), *Handbook of theories of social psychology* (Vol. 1, pp. 438-459). London, UK: Sage.
- [5] Andereck, K. L., Valentine, K. M., Knopf, R. C. & Vogt, C. A., 2005., "Residents" perceptions of community tourism impacts, *Annals of Tourism Research* 32(4), pp 1056-1076.
- [6] Ap, J., & Crompton, J. L. 1993. Residents' strategies for responding to tourism impacts. *Journal of Travel Research*, 32.
- [7] Bryan, H. 1977. Leisure value system and recreation specialization: The case of trout fisherman. *Journal of Leisure Research*, 9, pp 174-187.
- [8] Carmichael, B. A. 2000. A matrix model for resident attitudes and behaviours in a rapidly changing tourism area. *Tourism Management*, 21 (6).
- [9] Cole, D. N. & Steward, W. P. 2002. Variability of User-Based Evaluative Standards for Backcountry Encounters. *Leisure Sciences*, 24.
- [10] Cumberbatch, J., Moses, J. 2011. Social Carrying Capacity in Beach Management in Barbados. Micallef, A. (ed.), *MCRR3-2010 Conference Proceedings, Journal of Coastal Research, Special Issue, No. 61*. Grosseto, Tuscany, Italy, ISSN 0749-0208. pp 14-23.
- [11] DEFINING, MEASURING AND EVALUATING CARRYING CAPACITY IN EUROPEAN TOURISM DESTINATIONS. B4-3040/2000/294577/MAR/D2. Final report. Athenas, December 2001. Available at: http://ec.europa.eu/environment/iczm/pdf/tcca_en.pdf
- [12] Dorfman, P. W. 1979. Measurement and meaning of recreation satisfaction. A case study in camping. *Environment and Behavior* 11(4), pp 483-510.
- [13] EDAW (2004b) Reservoir boating. Final R-7. Oroville Facilities Relicensing FERC Project No. 2100. The State of California, Department of Water Resources.
- [14] Fishbein, M., Ajzen, I. 2010. *Predicting and changing behavior: There as onedaction approach*. New York: Psychology Press (Taylor&Francis).
- [15] Forbes, B. C., and Kumpula, T. 2009. "The Ecological Role and Geography of Reindeer Rangifertarandus in Northern Eurasia." *Geography Compass* 3.
- [16] Heberlein, T. A. 1977. Density, crowding, and satisfaction: Sociological studies for determining carrying capacities. Proceedings: *River Recreation Management and Research Symposium*. General Technical Report NC-28. St. Paul. MN: North Central Experiment Station, USDA Forest Service. pp 67-76.

- [17]Hersen, M. 2005. Encyclopedia of Behavior Modification and Cognitive Behavior Therapy: Volume I: Adult Clinical Applications Volume II: Child Clinical Applications Volume III: Educational Applications. SAGE Publications.
- [18]Heywood, J. L. 2000. Current approaches to norms research. In D. N. Cole, S. F. McCool, W. T. Borrie, & J. O'Loughlin (Eds.), *Wilderness science in a time of change* (Vol. 4). pp 260-264. Wilderness visitors, experiences, and visitor management. Ogden, UT: USDA Rocky Mountain Research Station.
- [19]Heywood, J. L., Murdock, W. E. 2002. Social norms in outdoor recreation: Searching for the behavior-condition link. *Leisure Sciences*, 24, pp 283-295.
- [20]Hoon, L. 1998. *Social carrying capacity of tourism planning at an alternative tourism destination: Crowding, satisfaction, and behaviour*. The Pennsylvania State University ISBN 9780591524833.
- [21]Ibrahim, H., Cordes, K. A. 2008. *Outdoor recreation: Enrichment for life*. 3rd edn. Champaign, IL Sagamore
- [22]Kim, N. 1997. *Structural approach of social carrying capacity and GIS* The Pennsylvania State University, ProQuest, UMI Dissertations Publishing, 9802672. p. 8.
- [23]Lee, H. 1997. "Social Carrying Capacity of Tourism Planning at an Alternative Tourism Destination: Crowding, Satisfaction and Behavior." Ph.D. diss.
- [24]Lehman, P. K., Geller, E. S. 2004. Behavioral analysis and environmental protection: Accomplishments and potential for more. *Behavioral and Social Issues*, 13.
- [25]Lime, D. W. 1976. Principles of recreational carrying capacity. *Proceedings of southern states recreation research applications workshop*. General Technical Report SE-9. U.S. Department of Agriculture, Southeastern Forest Experiment Station, Asheville, NC: pp 122-134.
- [26]Mannell, R. C. 1989. Leisure satisfaction. In E. L. Jackson & T. L. Burton (Eds.), *Understanding leisure and recreation: Mapping the past, charting the future*. State College, PA: Venture Publishing. pp 281-301.
- [27]Manning, R. E. 1997. Social Carrying Capacity of Parks and Outdoor Recreation Areas. *Parks and Recreation* 32 (10), pp 32-38.
- [28]Manning, R. E. 1999. *Crowding in Outdoor recreation. Use Level, Perceived Crowding and Satisfaction*. Corvallis, OR: Oregon State University Pres.
- [29]Manning, R. E., Lawson, S., Frymier, L. 1999. Navigating the confluence of two stream of social research: Contingent valuation and normative standards. *Human Ecology Review*, 6, pp 35-48.
- [30]Manning, R. E., Lime, D. W., Freimund, W. A., Pitt, D. G. 1996. Crowding norms at front country sites: A visial approach to setting standards of quality. *Leisure Sciences*, 18, pp 39-59.
- [31]Manning, R. E., Valliere, W. A., Wang, B., Jacobi, C. 1999. Crowding norms: Alternative measurement approaches. *Leisure Sciences*, 21, pp 97-115.

- [32] Meng, F. 2010. Individualism / Collectivism and Group travel Behavior: a Cross-cultural Perspective. *International Journal of culture, Tourism, and Hospitality Research*. [http://dx.doi.org/10.1016/S0261-5177\(02\)00057-2](http://dx.doi.org/10.1016/S0261-5177(02)00057-2)
- [33] McLeod, M., Cooper, J. A. G. 2005. Carrying Capacity in Coastal Areas. *Encyclopedia of Coastal Science*, Springer.
- [34] Moore, R. L. and Driver, B. L. 2005. Introduction to Outdoor Recreation: Providing and Managing Natural Resource Based Opportunities. Ventura Publishing, Inc. State College, PA.
- [35] Neuts, B., Nijkamp, P. 2011. Crowding Perception in a Tourist City: A Question of Preference TI 2011-140/3 Tinbergen Institute Discussion Paper.
- [36] Nowacki, M. 2012. The model of satisfaction in outdoor recreation. *Theory and methodology of physical recreation in the light of current research*. Poznan. Bogucki Wydawnictwo Naukowe.
- [37] Pásková, M., 2008. Udržitelnost rozvoje cestovního ruchu. Hradec Králové: Gaudeamus. Available at: <http://www.casopis.ochranaprirody.cz/zvlastnicislo/udrizitelnost-cestovniho-ruchu/>
- [38] Phipps, M. L. 1986. An assessment of a systematic approach to teaching outdoor leadership in expedition settings. Doctoral Dissertation. University of Minnesota.
- [39] Phipps, M. L. 1991. Definition of outdoor recreation and other associated terminology. Conference paper. National conference for outdoor leaders, public, commercial and non-profit partnership.
- [40] Meng, F. 2010. Individualism/ Collectivism and Group travel Behavior: a Cross-cultural Perspective. *International Journal of Culture, Tourism, and Hospitality Research*. Available at <http://dx.doi.org/10.1108/17506181011081514>
- [41] Ricci, P. F. 1976. Carrying Capacity – Toward an Operational Definition for National policy Making. Invited Paper. *The Habitat forum, The UN Conference on Human Settlements*. Vancouver, B.C. Canada.
- [42] Sandell, K. & Sörlin, S. 2008. Friluftshistoria – Från "hårdande friluftslif" till ekoturism och miljöpedagogik: Teman i det svenska friluftslivets historia, eds. 2:a reviderade uppl. (Stockholm: CarlssonBokförlag.
- [43] Sayan, M. S., Atik, M. 2011. *Recreation Carrying Capacity Estimates for Protected Areas: A Study Of Termessos National Park*. *Ekoloji* 20, 68.
- [44] Science for All Americans 2013. Oxford University Press.
- [45] Shafer, E. Jr. (1969). The average camper who doesn't exist. Research Paper NE-142. Upper Darby, PA: USDA Forest Service, Northeastern Forest Experiment Station.
- [46] Shelby, B., Vaske, J. J. 1991. Using normative data to develop evaluative standards for resource management: A comment on three recent papers. *Journal of Leisure Research*, 23, pp 173-187.
- [47] Shelby, B., Heberlein, T. A. 1986. *Carrying capacity in recreation settings*. Corvallis, OR: Oregon State University Press.
- [48] Skinner, B. F. 1953. *Science and human behavior*. New York: The Macmillan Company.

- [49]Tharp, R. G. & Wetzel R. J. 1969. Behavior modification in the natural environment. New York: Academic.
- [50]Titscher, S., Meyer, M., Wodak, R., & Vetter, E. 2000. Methods of text and discourse analysis (Bryan Jenner, Trans.). London: Sage.
- [51]Vaske, J. J., Donnelly M. P., Shelby, B. 1993. Establishing management standards: selected examples of the normative approach. *Environmental Management*, 17, pp 629-643.
- [52]Wagar, J. A. 1964. The carrying capacity of wildlands for recreation. *Forest Science Monograph* 7. Washington, D. C.: Society of American Foresters.
- [53]Washburne, R. F. 1982. Wilderness recreation carrying capacity: Are numbers necessary? *Journal of forestry* 80.
- [54]Zelenka, J., 2007. Metodický návod MŽP upravující postupzajišťování udržitelnosti cestovního ruchu v přírodně a krajinně cenných územích České republiky – studie. Praha: MŽP. Available at <http://openedu.uhk.cz/ui/documents/get/2123/>
- [55] Available at <https://www.cbd.int/development/doc/cbd-good-practice-guide-tourism-booklet-web-en.pdf>

Contact information

Ing. Iveta Fodranová, CSc.
 Department of Services and Tourism
 Faculty of Commerce
 University of Economics
 Dolnozemská 1
 852 35 Bratislava
 Slovak Republic
 T: (+421) 02 6729 1512
 E: iveta.fodranova@euba.sk

Description of the author

Iveta Fodranová is an Assistant Professor in University of Economics Bratislava, Slovak Republic. Her research interests lie in the economics of entrepreneurship, cross-cultural studies in tourism, socio-cultural impacts of tourism and tourism development.

Ivica Linderová

READINESS OF RESTAURANTS AND CAFÉS TO PROVIDING SERVICES FOR DISABLED VISITORS IN VYSOČINA REGION

***Abstract:** Disabled visitors belong to growing market segment in tourism also due to aging of population. They have equal rights to travel and use tourism services as other visitors. Not only the European Union, but also the Czech Republic pays higher attention to their requirements. Based on the above mentioned information the article focuses on the accessibility of the catering facilities in the Vysočina region. It deals with the barrier-free or wheelchair accessible restaurants, cafés etc. in districts of Jihlava, Třebíč, Pelhřimov and Žďár nad Sázavou. The article also outlines the importance of the care for disabled people in tourism.*

***Key words:** barrier-free, catering facilities, disabled visitors, restaurants*

***JEL Classification:** J14, L83*

Introduction

The rights to tourism are one from discussed topics in European Union. Each person should have possibility to travel and discover beauties of Earth. According the Global Code of Ethics for Tourism (2001) all tourism activities should respect the equality of men and women. They should promote human rights and, more particularly, the individual rights of the most vulnerable groups, notably children, the elderly, the handicapped, ethnic minorities and indigenous peoples (art. 2). The prospect of direct and personal access to the discovery and enjoyment of the planet's resources constitutes a right equally open to all the world's inhabitants. The increasingly extensive participation in national and international tourism should be regarded as one of the best possible expressions of the sustained growth of free time, and obstacles should not be placed in its way (art. 7). Really important is, that social tourism, and in particular associative tourism, which facilitates widespread access to leisure, travel and holidays, should be developed with the support of the public authorities (art. 7).

In practice, social tourism address four main target group – senior citizens, young people, families with low-income and people with disabilities. It usually refers to budget-friendly holiday in the own country, either individual or as part of a group, or in some cases day

trips to theme parks, museums and attractions, that are funded or made available at highly reduced rates, by charities or agencies in the public sector. Generally, social tourism can be seen as an umbrella concept, incorporating many different types of initiative and public, private and third-sector stakeholders (McCabe et al., 2012, Deery et al., 2012, Minnaert et al., 2011, Kinderniss, 2010 or Naegele, 2010).

Social tourism is a tourism type oriented on disadvantaged persons. Important is support system of social tourism. It is about financial support and creating of accessible environment.

The European Union indicates social tourism as "tourism for all". Very important is to adapt tourism services for needs of disabled or handicapped visitors. They also use accommodation and catering facilities during their stay in tourism destinations. The number of disabled people in European Union is still increasing, also due to demographic changes.

In the European Union, almost 45 million people aged between 15 and 64 (14.1 % of that age group) reported a disability in 2011. In France, Luxembourg, Austria and Finland, more than 20 % of this group reported having difficulties in basic activities. Less than 10 % of people aged between 15 and 64 age reported a disability in the Czech Republic, Ireland, Greece, Spain, Italy, Cyprus and Malta (Eurostat, 2014).

According to the European Union people with disabilities are those who have a basic activity difficulty, such as seeing, hearing, walking, communicating.

People with disabilities are also those who are limited in the work they can do because of a longstanding health problem or a basic activity difficulty. The second definition of disability is more restrictive, in the sense that it focuses on people who are limited in the work they can do because of a health problem, while the first definition does not necessarily relate to work activities (Eurostat, 2014).

The proportion of people who report a longstanding health problem or a basic activity difficulty increases with age. While 87 % of 15-24-year-olds in the European Union reported no health-related or activity problems, this proportion gradually decreased to 50 % of 55-64-year-olds. The proportion of people who reported multiple problems, i.e. a longstanding health problem combined with a basic activity difficulty, increased with age in the European Union, from 3 % of 15-24-year-olds to 27 % of 55-64-year-olds. In all age groups under 55, the most common report was of a longstanding health problem alone (Eurostat, 2014).

Persons with disabilities are diverse and heterogeneous, while stereotypical views of disability emphasize wheelchair users and a few other "classic" groups such as blind people and deaf people. Disability encompasses the child born with a congenital condition such as cerebral palsy or the young soldier who loses his leg to a land-mine, or the middle-aged

woman with severe arthritis, or the older person with dementia, among many others. Health conditions can be visible or invisible; temporary or long term; static, episodic, or degenerating; painful or inconsequential. Note that many people with disabilities do not consider themselves to be unhealthy. For example, 40 % of people with severe or profound disability who responded to the 2007-2008 Australian National Health Survey rated their health as good, very good, or excellent (WHO, 2011).

Generalizations about "disability" or "people with disabilities" can mislead. Persons with disabilities have diverse personal factors with differences in gender, age, socioeconomic status, sexuality, ethnicity, or cultural heritage. Each has his or her personal preferences and responses to disability (WHO, 2011).

Accessibility as the most important part of social tourism is also a central element of any responsible and sustainable tourism policy. It is both a human rights imperative, and an exceptional business opportunity. Above all, we must come to appreciate that accessible tourism does not only benefit persons with disabilities or special needs; it benefits us all (UNWTO, 2013). Accessibility refers to how easy it is for everybody to approach, enter and use buildings, outdoor areas and other facilities independently, without the need for special arrangements. Providing information on accessibility and improving access benefits a wide range of people who want to travel, but who may find it difficult (Office for Official Publications of the European Communities, 2004).

Disabled visitors have their own preferences during the travel. Except the accessible environment is important also staff behaviour in tourism facilities, shops etc.

The staff of tourism establishments and related services should be prepared to know, understand and address the needs of customers with disabilities. It should be trained to treat people with disabilities with courtesy and efficiency, provide complete information on services and facilities available, and facilitate access to non-accessible services (UNWTO, 2013).

In our research we were interested in catering facilities. To this group of tourism establishments belong restaurants, coffee shops, cafés, cafeterias, bars, fast-foods etc. Restaurant we can define as an establishment or property where refreshments or meals are served. There are many different types of restaurants depending on the market served (up-scale, family), concept or theme (ethnic or dinner house), product range (type of menu), service style (fast food or full service) and price. Cafeteria is a self-service restaurant frequented by both tourist and resident populations. There are two main types. The "in-line" cafeteria consists of a single counter along which customers pass to make choices. The free-flow system has several counters each serving different meal items such as hot foods, sandwiches, salads, desserts and beverages (Jafari, 2000). Café or coffee shops offer selection of coffee, desserts and sweets. Bars and pubs are usually oriented on alcohol beverages. We can find also some theme bars as Irish pub, Brasserie, wine bar etc.

An adequate number of restaurants, coffee shops, cafés and bars in the area should be provided, with accessible facilities which take into account the ease of external access, furniture designed to be used by wheelchair users, counters at different heights, menus with easy-to-read text, in Braille or in alternative formats, accessible toilets, etc. Menus should include additional options for people with different types of food intolerances, e. g. diabetics, persons with gluten intolerance, etc. These facilities should be properly marked for easy location (UNWTO, 2013).

Accessible environment enables easier access to catering facilities also for families with little children, pregnant women, parents with strollers or seniors.

Some European countries pay attention to disabled visitor's needs. Good practices of accessible catering facilities could be found e. g. in Great Britain, where is valid the Disability Discrimination Act. It is the main disability discrimination law. It bans disability discrimination by employers against disabled job-seekers and employees and by service providers against disabled service-users. It is most notable for imposing a duty on employers and service providers to make reasonable adjustments for disabled people to help them to overcome barriers that they may face in gaining and remaining in employment and in accessing and using goods and services. The main activities covered by the DDA are besides others an access to and use of goods, facilities and services, including access to public buildings, shops and leisure facilities and to healthcare, housing and transport.

Also Spain and France focus on accessible tourism. To good practices in Spain belong Málaga and Valencia. Spanish government supports travel of European seniors during the low seasons to Andalusia, Canary Islands, Costa Brava etc. In France we have to mention "Tourisme and Handicap" label. The brand is a response to the request of people with disabilities who want to choose their holidays and leisure freely. The brand provides a guarantee of an efficient welcome adapted to essential needs of the disabled. A range of leisure activities that are accessible to everyone have been awarded the label, including theme parks, theatres, sport and recreational facilities, bathing facilities, leisure centres etc. Accreditation is given to all types of accommodation as well as a whole range of places to buy food e. g. restaurants, bars, brasseries, crêperies etc.

Some European historical centres also take care for disabled visitors in case of catering. In Geneva we can find raised platforms for restaurant and café terraces. Some restaurants in Lucerne have adapted their facilities, dining rooms and restrooms to make them accessible to persons in wheelchairs, and outdoor terraces do not pose any accessibility related problems (UNWTO, 2015).

In the Czech Republic, there could also be found some good practices of accessible environment. Significant attention is given to accessible green spaces and natural environment e. g. projects "Krkonoše without barriers", "Beskydy without barriers". Some barrier-free routes are located also in Šumava. Majority of hotel chains dispose of

accessible rooms and restaurants. The problem is that majority of catering facilities in Czech Republic are small enterprises. They do not adapt their offer to disabled visitor's needs, because of financial costs necessary for reconstruction of staff training.

Material and methods

Our research was focused on accessible catering facilities in Vysočina region. We started with terminology and we defined terms as catering facilities, accessibility, disability, disabled person. Then we identified a scientific goal, research questions and number of catering facilities in researched area (611).

The scientific goal of this paper is to detect the readiness of the catering facilities to the providing services for disabled visitors in selected districts of the Vysočina region – Jihlava, Třebíč, Pelhřimov and Žďár nad Sázavou.

In our research, there we set the following important questions:

- How are restaurants and cafés prepared for disabled visitors?
- Are the catering services in accordance with the requirements of disabled visitors?

When searching for the answers to the questions, we used primary and secondary research.

We focused on the documents dealing with barrier-free environment. We were also interested in databases of catering facilities in selected districts. Some information we gained from the information centers.

Primary data were collected during the visit of restaurants and cafés, where not defined as strictly barrier-free. Our research was conducted in the period December 2014 to April 2015.

Results

Among the catering facilities belong restaurants, pizzerias, bars, pubs, cafés etc. Barrier-free catering facilities are those interested in requirements of visitors with special needs e. g. wheelchair users, blind or deaf people.

In the Czech Republic, the restaurants and cafés are not obliged to have barrier-free access.

Due to the location of some restaurants in the historical buildings, it is difficult to provide services for disabled visitors. Barrier-free buildings are generally adapted predominately for

wheelchair users and visitors with sight or hearing problems visitors are often forgotten (Linderová, 2012).

In the Czech Republic, there is valid the Decree N°398/2009 (the Collection of Law) about general technical requirements for the public buildings. It is also dedicated to the public buildings providing services for people with disabilities, seniors, pregnant women, children until 3 years and for person with baby stroller. These people with the reduced mobility and have special demand on the public buildings design e. g. barrier-free access and also friendly approach of the employees in the restaurants and hotels.

The Decree N°398/2009 deals with new or reconstructed buildings. It adapts number of parking places for disabled visitors in the public buildings (1 barrier-free parking place for 20 standard parking places), door width (900 mm), barrier-free access to the building (without stairs, ramp, signal tracks for blind people) etc. The highest requirements for mobility have people who use wheelchairs. Even the Decree N°398/2009 uses their requirements as a standard.

Restaurants and guest houses are those to be adapted for disabled visitors. We observed the situation in the Vysočina region. Therefore the research was performed in four districts: Jihlava, Třebíč, Pelhřimov and Žďár nad Sázavou.

It is difficult to determinate the number of catering facilities in each district, no official databases are available. We used specialized web-pages as Czech Tourist Portal (www.czecot.cz) for Pelhřimov, web-pages www.ceske-hospudky.cz and www.firmy.cz for Žďár nad Sázavou, a portal disway.org – "Traveling without barriers" and databases from tourist information centres of Jihlava and Třebíč. Some information about barrier-free access were found through databases and web-pages. However, the majority of the catering facilities were visited by the researchers.

We located 611 catering facilities in the researched area, in which we examined the barrier-free environment.

In Jihlava, there we found 21 catering facilities with barrier-free access or they were at least partially wheelchair accessible. Majority of them are located in the shopping centre Citypark Jihlava. There are 39 accessible catering facilities located in Třebíč. The number of catering facilities with accessible design for other above mentioned districts are as follows: Pelhřimov 30, Žďár nad Sázavou 33 (Table 1).

Table 1: Barrier-free and partially wheelchair accessible catering facilities in the Vysočina region

<i>District</i>	<i>N^o</i>	<i>Type of the catering facility</i>				
		<i>Restaurant</i>	<i>Café</i>	<i>Pizzeria</i>	<i>Bar Pub</i>	<i>Bistro Fast food</i>
<i>Jihlava</i>	21	7	7	2	0	5
<i>Třebíč</i>	39	28	3	1	5	2
<i>Pelhřimov</i>	30	19	3	3	2	4
<i>Žďár n. S.</i>	33	25	3	2	3	0

Source: Own research, 2015.

Accessible catering facilities are those with barrier-free access, barrier-free toilets and where a person using wheelchair could inside without any problem.

We state that barrier-free catering facilities are often situated in new buildings. It is difficult to modify the interior layout of the historical buildings and places in order to be adjusted for disabled visitors. Majority of the catering facilities think about wheelchair users, but blind or deaf people are often forgotten (e. g. font braille menu, training of the staff – how to behave to disabled person).

According to our, most of the barrier-free catering facilities are located in Třebíč (41 % from total 96 catering facilities). In Pelhřimov, there are 19 % catering facilities adjusted to people with disabilities. In Jihlava and Žďár nad Sázavou, there are only few restaurants defined as accessible (Table 2).

Table 2: Share of the barrier-free and partially wheelchair accessible catering facilities in the Vysočina region

<i>District</i>	<i>Jihlava</i>	<i>Třebíč</i>	<i>Pelhřimov</i>	<i>Žďár n. S.</i>
<i>Total</i>	157	96	154	204
<i>Barrier-free</i>	13 %	41 %	19 %	16 %

Source: Own research, 2015.

Discussion and Conclusion

Accessible design, barrier-free access and special approach of the staff are only some of the requirements, which people with disabilities have. It is important to satisfy their special needs, as the disabled visitors belong to the growing segment in tourism market.

In our research, there we focused on the barrier-free catering facilities in the Vysočina region. We examined basic standards, which simplify visit of the restaurants and cafés for

disabled people. Barrier-free access was defined as a basic standard (it means access without stairs or possibility to using a ramp). To this category belong other necessary facilities, e. g. accessible toilets with handles, door width at least 900 mm, comfortable movement inside the building for wheelchair users. Wheelchair users have the highest requirements in terms of the accessible environment. That is the reason why the basic standards respect their requests.

Important are also requirement of blind people as signal tracks on entrance glass door, guiding lines on the floor, font Braille menu etc. However, the approach of the staff in the restaurants is still the most important.

In the researched area, there we found 123 barrier-free or partially wheelchair accessible catering facilities. This number represents 20 % of all catering facilities in the researched area. We state that some of the adapted catering facilities do not dispose of the barrier-free toilets or there is not possible for the wheelchair users to eat on the terrace, because of stairs or threshold.

We are sure that the situation in the catering facilities accessibility for disabled tourists will continue to improve. Also people with handicap or disability have the law to travel. So if tourism destinations want to improve their revenues, it is inevitable for them to pay attention on the accessible design of the catering and accommodation facilities, as well as access to the nature and cultural heritage.

Literature

- [1] Deery, M., Jago, L. & Fredline, L. 2012. Rethinking social impacts of tourism research: A new research agenda. In: *Tourism Management*, pp 64-73.
- [2] EUROSTAT. 2014. *Disability statistics*. [online]. [cit. 2015-09-02]. Available at: http://ec.europa.eu/eurostat/statistics-explained/index.php/Disability_statistics
- [3] Jafari, J. 2003. *Encyclopedia of Tourism*, 2003, 683 p. ISBN 0-415-30890-9.
- [4] Kindernis, R. 2010. Adaptation of social tourism as of alternative form of tourism in Europe. In: *Geo Journal of Tourism and Geosites*, Vol. 3, N°1, pp 7-15. Available at: gtg.webhost.uoradea.ro
- [5] Linderová, I. 2012. Hodnotenie potenciálu Českej republiky pre rozvoj cestovného ruchu zdravotne postihnutých návštevníkov. In: *Ekonomická revue cestovného ruchu*, Vol. 45, 2012, N°1. ISSN 0139-8660.
- [6] McCabe, S., Minnaert, L. & Diekman, A. 2012. *Social Tourism in Europe. Theory and practice*, 2012. 216 p. ISBN 978-1-84541-233-3.
- [7] Minnaert, L., Maitland, R. & Miller, G. 2011. What is social tourism? In: *Current Issues in Tourism*, N°5, pp 403-415.

- [8] MMR ČR. 2009. *Vyhláška č. 398/2009 Sb. o obecných technických požadavcích zabezpečujících bezbariérové užívání staveb.* [online]. 2009. [cit. 2015-04-13]. Available at: <http://www.mmr.cz>
- [9] Naegele, G. 2010. Kommunen in demographischen Wandel. Thesen zu neuen An- und Herausforderungen für die lokale Alten- und Seniorenpolitik. In: *Zeitschrift für Gerontologie und Geriatrie*, Vol. 43, N°2, pp 98-102.
- [10] Office for Official Publications of the European Communities. 2004. *Improving information on accessible tourism for disabled people.* [online]. [cit. 2015-10-09]. Available at: http://ec.europa.eu/enterprise/sectors/tourism/files/studies/improving_information_on_accessibility/improving_accessibility_en.pdf
- [11] *The Disability Discrimination Act.* [online]. [cit. 2015-11-13]. Available at: <http://www.nidirect.gov.uk/the-disability-discrimination-act-dda>
- [12] *Tourisme et Handicap.* [online]. [cit. 2015-11-13]. Available at: <http://www.tourisme-handicaps.org/>
- [13] UNWTO. 2001. *The Global Code of Ethics for Tourism.* [online]. [cit. 2015-09-02]. Available at: <http://ethics.unwto.org/en/content/full-text-global-code-ethics-tourism>
- [14] WHO. 2011. *World Report on Disability.* [online]. [cit. 2015-09-02]. ISBN 978 92 4 156418 2. Available at: http://www.who.int/disabilities/world_report/2011/en/
- [15] UNWTO. 2013. *Recommendation on Accessible Tourism.* [online]. [cit. 2015-10-09]. Available at: <http://dtxtq4w60xqpw.cloudfront.net/sites/all/files/docpdf/accesibilityenok.pdf>
- [16] UNWTO. 2015. *Manual on Accessible Tourism for All. Public-private Partnerships and Good Practices.* [online]. [cit. 2015-10-20]. Available at: <http://dtxtq4w60xqpw.cloudfront.net/sites/all/files/docpdf/aamanualturismoaccesibleomt-facseng.pdf>

Contact information

Ing. Ivica Linderová, PhD.
 Department of Travel and Tourism
 College of Polytechnics Jihlava
 Tolstého 16
 586 01 Jihlava
 Czech Republic
 T: (+420) 567 141 136
 E: ivica.linderova@vspj.cz

Description of the author

Ivica Linderová received PhD degree from Faculty of Economics of the Matej Bel University in Banská Bystrica, Slovakia in 2011 in specialization Tourism. Currently she is a lecturer at College of Polytechnics in Jihlava, Czech Republic. Her research focuses on tourism development and requirements of special target groups as families with children, seniors and disabled people. She is interested in "tourism for all".

Petr Scholz

GREEN MANAGEMENT IN THE SLOVAK HOTEL INDUSTRY

***Abstract:** Sustainability is currently one of the major priorities of tourism all over the world. One part of the sustainable tourism is green management. According to the hotel trends, accommodation facilities use it, too. Adopting the green practices is beneficial for the hotel industry. The paper deals with an application of green management elements in selected accommodation facilities in the Standard class and First Class in Slovakia. It analyses the implementation of green management elements and principles of sustainable development in the accommodation services. The paper focuses on the accommodation facilities and their use of environmental measures.*

***Key words:** eco-friendly hotel, green management, hotel industry*

***JEL Classification:** L83, Q56*

Introduction

The impact of the global growth of tourism on the environment has become a major issue in the hospitality (Chou, 2014). Applying the elements of green management is one of the characteristic trends in accommodation services. Accommodation facilities realize that the importance of environmental protection is necessary and in addition use this concept as a useful marketing tool to differentiate from the competition.

Nowadays we can hear or read that green is in. Green is in vogue. Green is the new black. A lot of consumers are asking for it. Organizations are requesting it. The future of business is being built on green and social responsible organizations. The green bandwagon is overloaded with posers and images of green without the true understanding of what green means, the methodologies of achieving green, and the applicability of green management (Tran, 2009). Despite the opportunity, some hotel managers remain hesitant to invest in green initiatives because they are not convinced whether or not such investments are financially beneficial. That is, while implementation of some new green practices and elements requires significant initial investments, quantifying returns is often difficult for investments which produce less tangible results such as improvement to a firm's reputation for being conservation oriented (Bird et al., 2007).

A number of measures to protect the environment is focused on reducing energy, water, chemicals, office supplies, reduction of waste, increasing the proportion of natural materials, a estheticisation environment, reducing noise and emissions, etc. (Bohdanowicz, 2005). Accommodation facilities should prefer Slovak products and local specialties while purchasing raw materials and products; try to support local infrastructure, promote ecological program to the public and green management implementation, etc. (Table 1).

Table 1: Green management elements

<i>Area</i>	<i>Elements</i>
<i>Economic and social activities</i>	<ul style="list-style-type: none"> - purchase of raw materials and products in the region, - support local infrastructure, - use of public transport and bicycles, - employment of local population.
<i>Communication and education of employees and guests</i>	<ul style="list-style-type: none"> - workflows and their control - promotion of ecological program to the public, - compliance with environmental principles by guests and employees.
<i>Management</i>	<ul style="list-style-type: none"> - implementation of ISO 14001, Eco-Management and Audit Scheme, - purchase larger volumes and minimizing packaging, - purchase products that really need accommodation facilities, - purchase products from suppliers in the region, - purchase quality and truly useful products, - purchasing of environmentally friendly products, - measuring guests' satisfaction.

Source: Processed under Belešová, 2014; Scholz, 2014.

It is necessary to focus on waste separation and reuse of recycled material, energy and water savings (Table 2):

Table 2: Green management elements

<i>Waste management</i>	<ul style="list-style-type: none"> - waste separation in the background of hotels, - sorting bins for plastic, paper, etc. in each room, - reuse recycled materials, - composting organic waste.
<i>Energy savings</i>	<ul style="list-style-type: none"> - utilization of geothermal energy and waste heat, - regulating heating and air conditioning, - compact fluorescent lamps, - appliances min. class A (A +, A ++), - low energy technologies, - thermal insulation of buildings.
<i>Water savings</i>	<ul style="list-style-type: none"> - installation of single-lever mixers and perlators - installation of energy-saving shower heads, - installation of two-stage flush toilets,

	<ul style="list-style-type: none"> - gray-water reuse, - rainwater harvesting.
--	--

Source: Processed under Belešová, 2014; Scholz, 2014.

Accommodation facilities tend to apply differently in the selection of saving measure. Some hotels and guest houses are decided according to what is currently the most urgent; others focus on measures that will bring the biggest savings at the lowest cost. A lot of accommodation facilities invest financial resources into the lighting, where they can attain significant savings. Incandescent bulbs are most often replaced with the compact fluorescent lamps. They reach about 80 % less energy consumption compared to the incandescent lamp for the same light flux and also significantly lower power dissipation.

Another advantage of the compact fluorescent lamps is that they have a considerably longer service life, which reaches an average of 6,000 hours of lighting. However, they are currently increasingly coming to the forefront of LED technology (Light Emitting Diode). Compared to the common light sources, their durability is much higher. However, it should not be installed at the places where there is frequent switching off lights. What is more, the lifetime of LED lamps is in the range 30,000 to 100,000 hours of lighting, but the product which promises life of 100,000 hours are often not very reliable. The usual lifetime of LED lamps is around 30,000 hours, but it also may be lower or higher (Table 3).

Table 3: Lamps and their efficiency

<i>Properties of luminaires/ Lighting Fixtures type</i>	<i>Incandescent light bulb</i>	<i>Compact Fluorescent Lamp</i>	<i>LED lamp</i>
Power input	40 W	11 W	5 W
Price	0.40 €	3.70 €	10.70 €
Lifetime	1,000 h	6,000 h	30,000 h
Number of operating hours per year (5 hrs./day)	1,825 h	1,825 h	1,825 h
Number kWh per year (5 hrs./day)	73 kWh	20 kWh	9 kWh
Lighting costs per year (1kWh = 0,17 €)	12.41 €	3.40 €	1.53 €
Annual energy savings in €	---	9.01 €	10.88 €
Payback period fluorescent lamp	---	165 days	395 days
Savings over the lifetime of the lamp	---	29.62 €	178.85 €

Source: Own elaboration, 2015.

Accommodation facilities in the Standard class and First Class begin or have already begun to implement environmental management which results from the moral, social and political reasons. For accommodation facilities, it is not easy to implement environmental management. Managers even though start to be creative of the utilization of existing materials and convert to efficient and environmentally friendly. We can see economics advantages in eco-friendly accommodation facilities, too (Scholz, Voráček, 2015).

The implementation of green management is mostly associated with acquiring various certifications that reflect environmental friendliness of provided and offered services. These certifications contribute to the protection of employees, guests, and even the surroundings (Beránek, 2013).

In Slovakia, there is only one accommodation facility which is certified by The Flower system. In the European Union, there is also utilization of the certification of Environmental Management System, in the United States of America there is well-known LEED certification (Leadership in Energy & Environmental Design).

If we focus on some selected European countries, we can see in several countries between the years 2007-2014 a significant increase in the accommodation facilities which have the ecological certificate of the European Union-The Flower. We note that in 2007, there is the biggest number of the eco-friendly accommodation facilities in Italy (25), Ireland (11), Austria (7), Switzerland (6), Netherlands (6), and Denmark (5). It is remarkable that countries that are more environmentally friendly have a minimum of these eco-friendly accommodation facilities – Germany (2), Finland (0), Sweden (0), and Norway (0) (Table 4).

Table 4: Number of eco-friendly accommodation facilities in selected European countries

<i>No.</i>	<i>Country</i>	<i>2014</i>	<i>2007</i>	<i>Index in %</i>
1	Italy	124	25	496
2	France	104	2	5,200
3	Switzerland	37	6	617
4	Austria	17	7	243
5	Spain	15	3	500
6	Ireland	7	11	64
7	Czech Republic	6	2	300
8	Great Britain	5	5	-
9	Netherlands	4	6	67
10	Sweden	2	0	100
	Finland	2	0	100
	Greece	2	2	-

13	Belgium	1	0	100
	Slovakia	1	0	100
	Slovenia	1	0	100
	Germany	1	1	-
	Malta	1	1	-
	Hungary	1	1	-
	Cyprus	1	1	-
	Denmark	1	5	20
	Portugal	1	2	50
22	Poland	0	2	0
	Latvia	0	2	0
	Norway	0	2	0

Source: Processed under European Commission, 2015.

Comparing the countries in 2014, it is still Italy in the first place, which increased the number of eco-friendly accommodation facilities by almost 100 accommodation facilities, i.e. an increase of 496 %. The most striking development was recorded by France with 104 environmentally friendly accommodation facilities. Compared to 2007, there were only 2 eco-friendly accommodation facilities; it means the increase of 5,200 %. Switzerland recorded the increase of 617 %, Spain the increase of 500 %, the Czech Republic increased by 300 % and Austria by 243 % (Table 4).

We also noticed some declines e. g. Ireland and Denmark. Norway, which is considered as a leader in connection of ecology, there is no accommodation facility certified by The European Union. But we have to state that in the Table 4, there are only collected accommodation facilities with a European Ecolabel. Therefore, e. g. countries of the Scandinavian Peninsula of northern Europe did not reach better results. We assume that these countries have a national certificate for accommodation facilities with an eco-friendly approach to the environment. In Norway, Sweden and Finland, the measures for supporting the environment are basically implemented automatically and it is not necessary to own an environmental certificate. Several accommodation facilities in the Czech Republic and Slovakia are in line with this philosophy. They use some measures and elements of the green management but do not own a certificate due to its high financial expenses. In the countries of the Western and Northern Europe, the guests are different, because they are interested and seek eco-friendly accommodation facilities, whereas for Czech or Slovak guests the most decisive factor is predominately the price.

Material and methods

The aim of this paper is to analyze the implementation of the green management elements in selected accommodation facilities in the Standard class and First Class in Slovakia. There were used primary data collected by questionnaire survey and secondary data. The questionnaire survey consisted of twelve questions. They were mostly closed and some were half open questions. At the end of the questionnaire there were three segmentation questions and respondents had space for their views and comments. The primary survey was conducted in Slovakia. The questionnaires were distributed via e-mail and in person. The survey was conducted since September 2014 until August 2015. We contacted 529 accommodation facilities in the Standard class and First Class in Slovakia; 30 % of them answered willingly. There was created a sample of 158 accommodation facilities after sorting out incomplete or incorrectly completed questionnaires. We used the methods of scientific work; and i.e. the analysis method, a method of generalization, mathematical, and statistical methods. In Slovakia, there are over 3,100 accommodation facilities; 140 Luxury and First Class hotels, 278 hotels in the Standard class, 106 hotels in the Economy class, and 89 hotels in the Tourist class. Furthermore, in Slovakia, there are located 749 guest houses, 295 hostels, 56 hostels dwellings, 63 campings and encampments, 591 accommodation facilities in private, and 778 other (Statistical Office of the Slovak Republic).

Results and Discussion

Accommodation facilities that utilize elements of the green management have a certain competitive advantage. Their goal is to apply the different elements of green management and contribute to the environmental protection. The highest representations of accommodation facilities in our sample were noted in the accommodation facilities located in towns and rural areas (Table 5).

Table 5: A sample of the accommodation facilities

Class	Localization of accommodation facilities				Total
	Town	Rural areas	Mountains	Spa	
***	45	26	7	5	83
****	41	11	15	8	75

Source: Own elaboration, 2015.

Surveyed accommodation facilities in the Standard class have the best results with compact fluorescent lamps and LED lamps (65 %), sorting containers (64 %), and reducing the flow of water saving perlaters or shower heads (55 %). The worst results were found in the informing of guests about environmental efforts (21 %), friendly cleaning products and

laundry detergents (29 %), education of employees to the green management (33 %), and minimizing the use of disposable products (34 %).

Selected accommodation facilities in First Class reach the best results with compact fluorescent lamps and LED lamps (85 %), reducing the flow of water saving perlators or shower heads (82 %), windows thermal insulation (78 %), sorting containers (77 %). 65 % of the accommodation facilities had individual heating control installed in the rooms. If the room is not occupied by the hotel guests, it is not environmentally friendly to use the air conditioning or heating in the room. It is completely sufficient if the heating or air conditioning is turned on a few hours before the expected arrival of the guests. The worst results were shown in the providing information to the guests about the environmental efforts (32 %) and cleaning products and laundry detergents friendly to the environment (39 %) (Table 6).

Table 6: Environmental measures used in accommodation facilities in Slovakia and in the Czech Republic in percentage

<i>Environmental measures/Country/Class</i>	<i>Slovakia</i>		<i>Czech Republic</i>	
	<i>***</i>	<i>****</i>	<i>***</i>	<i>****</i>
Compact fluorescent lamps and LED lamps	65	85	77	92
Windows thermal insulation	46	78	52	65
Each room has its own heating control	42	65	55	76
Sorting containers	64	77	38	53
Reducing the flow of water saving perlators or shower heads	55	82	29	38
Cleaning products and laundry detergents friendly to the environment	29	39	23	45
Minimizing the use of disposable products	34	59	10	25
Green management employees education	33	45	28	68
Informing guests about environmental efforts	21	32	40	53

Source: Own elaboration, 2015.

We state that the surveyed accommodation facilities reached good results. In comparison with the research performed by Scholz (2014), who dealt with the same issues in the accommodation facilities in the Czech Republic, we expected better results. Accommodation facilities in Slovakia have better results with the following environmental elements: sorting containers (64 %; 77 %), reducing the flow of water saving perlators or shower heads (55 %; 82 %), and minimizing the use of disposable products (34 %; 59 %). Accommodation facilities in the Czech Republic have better results in these environmental elements: green management employees education (28 %; 68 %) and informing guests about the environmental efforts (40 %; 53 %). Other elements are almost similar (Table 6).

Conclusion

Based on the ascertained facts, the application of green management elements is considered socially and morally beneficial besides economic efficiency. In Slovakia there are over 3,100 accommodation facilities, and although the individual accommodation facility has negative environmental effect on Earth, it can help to improve the environment at regional and local level through appropriate environmental measures.

Literature

- [1] Belešová, S. 2014. Ekologické prvky ako súčasť sociálnej zodpovednosti hotelov. *Folia Turistica 4*. Banská Bystrica : UMB – Ekonomická fakulta, pp 49-54. ISBN 978-80-557-0697-9.
- [2] Beránek, J. a kol. 2013. *Moderní řízení hotelového provozu*. Mag Consulting, 338 p. ISBN 978-80-86724-45-4.
- [3] Bird, R., Hall, A. D., Momente, F., Reggiani, F. 2007. What corporate social responsibility activities are valued by the market? *Journal of Business Ethics*, 76 (2), pp 189-206. ISSN 1573-0697.
- [4] Bohdanowicz, P. 2005. European Hoteliers' Environmental Attitudes: Greening the Business. *Cornell Hotel and Restaurant Administration Quarterly*, 46 (2), pp 188-204. ISSN 1938-9663.
- [5] Chou, C. J. 2014. Hotels' environmental policies and employee personal environmental beliefs: Interactions and outcomes. *Tourism Management*. Elsevier Ltd., 40, pp 436-446. ISSN 0261-5177.
- [6] *European Commission*. [online]. [cit. 13. 11. 2015]. Available at: <http://ec.europa.eu/index_en.htm>
- [7] Scholz, P. 2014. Uplatňování prvků ekologického managementu v ubytovacích zařízeních v České republice. *Ekonomická revue cestovního ruchu*, 47 (1), pp 42-52. ISSN 0139-8660.
- [8] Scholz, P., Voráček, J. 2015. Organizational culture and green management: innovative way ahead in hotel industry. *Proceedings of the 10th International Forum on Knowledge Asset Dynamics – Culture, Innovation and Entrepreneurship: connecting the knowledge dots*. Bari: Institute of Knowledge Asset Management, Arts for Business Ltd, University of Basilicata and Polytechnic University of Bari, pp 1109-1121, ISBN 978-88-96687-07-9.
- [9] *Statistical Office of the Slovak Republic*. [online]. [cit. 03. 09. 2015]. Available at: <www.statistics.sk/>
- [10] Tran, B. 2009. Green Management: The Reality of Being Green in Business. *Journal of Economics, Finance and Administrative Science*, 14 (27), pp 21-45. ISSN 2077-1886.

Contact information

Ing. Petr Scholz, DiS.
Department of Travel and Tourism
College of Polytechnics Jihlava
Tolstého 16
586 01 Jihlava
Czech Republic
T: (+420) 567 141 136
E: petr.scholz@vspj.cz

Description of the author

He has graduated from Faculty of the Matej Bel University of Economics in Banská Bystrica in specialization Tourism. His research focuses on guests' satisfaction and accommodation facilities in tourism. He is also interested in analysis of eco-friendly accommodation facilities in tourism.

REVIEW

HAVLÍČKOVÁ, K., KRÁLOVÁ, R. Travel Law. Volume 1. Prague: C. H. Beck, 2015. 508 p. ISBN 978-80-7400-267-0.

Travel Law is the most extensive legal book devoted to travel and tourism in the Czech Republic to date. Its target audience is those conducting business within the travel industry, their lawyers and anyone who would like a more in-depth view of the issues in question.

The book covers the statutory, commercial and consumer law aspects of conducting business in the travel industry in the Czech Republic. It enables the reader to determine which trade is suitable for his business, and provides information on how to obtain a business licence and the scope of his obligations according to the Trade Licensing Act, the Consumer Protection Act and the Tourism Act, including sanctions applicable to breaches of these obligations. The book also describes the special VAT rules for travel services. The book explains the process of concluding business and consumer contracts, and legal concepts such as withdrawal, penalty payment and compensation for damages. Special emphasis is put on the description of the rights and obligations arising from a package holiday contract. In addition, agency contracts, accommodation contracts and contracts related to passenger transportation are also covered in detail. The book clarifies the instruments aimed at the protection of the traveller, including insolvency protection, cancellation insurance and chargeback. The protection of passengers travelling by air, water, bus or rail transport based on a contract with the carrier, and the instruments which facilitate the cross-border application of law are also included.

Explanations are provided in the context of EU law and ECJ case law, and with reference to Czech, Austrian, German and British case law.

The book has six parts: Part I General; Part II Public Law Regulation of Tourism Services; Part III Private Law Regulation of Tourism Services; Part IV Consumer Protection Instruments in the Area of Tourism; Part V Rights of Passengers in Transit; and Part VI Cross-border Implications of Travel Law.