



# **International Case Studies for Hospitality, Tourism and Event Management Students and Trainees**

**Edited by:  
Elizabeth Ineson  
Melanie Smith  
Valentin Niță**



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**Volume 7  
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**edited by**

**Elizabeth Ineson, Melanie Smith and Valentin Niță**

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## Dedication

to

**Christina Macdonald Douglas**

*August 29 1914 - November 18 2015*

*A remarkable, fiercely independent, proud and resourceful lady,  
who exemplified living life to the full*

*and*

*a gracious, generous and fun-loving mother, grandma and great grandma.*

## **Disclaimer**

The editors and the contributors disclaim any and all liability to any third-party anywhere in the world for any injury, damage or direct or indirect loss resulting from reliance on information compiled, or recommendations made, in this text.

## Preface

Volume 7 comprises yet a further series of international case studies, focusing on problems and key issues related to hospitality, tourism and event management. They are set not only in Central and Eastern Europe, including Bosnia and Herzegovina, Croatia, Czech Republic, Hungary, Latvia, Lithuania, Serbia, Slovakia, Slovenia and Ukraine, but also in Canada, England, Hong Kong, Ireland, Macau, Switzerland and the United States of America as well as more 'general' settings. The contributors, who represent 19 countries, have developed the cases based on their specialist knowledge and real-life experiences. The cases offer students, management trainees and managers opportunities to consider and to respond to realistic scenarios of varying and increasing complexity.

The introduction provides a brief overview of the case study and its possible role in teaching, and training, particularly in cross-disciplinary fields. In order to provide a suitable format, the cases have been divided into two sections: Part 1, non-revealed and Part 2, revealed. Part 2 is further subdivided into two sections (i and ii). The cases in the first section (2i) require the students/trainees either to read prior to, or subsequent to, the class/training. In the latter instance (2ii), there may be a requirement for further follow up activities or discussions.

The main topics covered are: communications issues and problems; cruise tourism; cultural differences; dark tourism; educational tourism; emotional intelligence; event planning; guest management; guest satisfaction; impact of exchange rates on tourism; local gastronomy; tour planning; tourism regulations; public transport; service quality and standards; sustainability; safety and security; expatriate hotel management; and workplace bullying;

The non-revealed case studies may be distributed as part of a teaching or training session, and responses may be prepared by the individuals, debated by groups of students, trainees or managers, or enacted using role play, to develop a joint solution; the cases focus on at least one curriculum area or department, for example: food and beverage; human resources; reservations; etc. Each non-revealed case poses at least one question for consideration by students, trainees or managers, and there are also a few activities and some recommended reading where appropriate, as determined by the facilitator. Furthermore, the cases may require some preparatory, in addition to follow-up, reading that the facilitator considers to be advantageous in advance of the discussion sessions.

The revealed case studies are more complex. They are inter/cross-disciplinary, encouraging consideration of issues and problems that focus on broader managerial, international and cultural perspectives. Some of the revealed cases are accompanied by reading or research suggestions which are recommended in order to respond to the questions and/or inform the participants so that they can conduct the follow-up activities which include: application of theories to practice; debates; designing systems; evaluating information in the light of written evidence; interpreting statistics; making sensible practical recommendations based on evidence; justifying actions with theory; online searching; preparation of guidelines and training information; planning tours and events; and report writing.

The case questions and activities are designed to encourage and promote experiential learning, embracing a practical problem-solving approach to the achievement of learning outcomes. They are of variable levels of difficulty from very simple to extremely complex, posing different types of questions and activities such as practical, theoretical, problem-solving and brain-storming. Part 3 includes a series of points to promote discussions or further considerations of the issues pertaining to each case.

## Contributors

**Nikola Atlagić Mr Sci**, Lecturer, College Dositej, Banja Luka, Bosnia and Herzegovina, Republika Srpska.

**Eszter Benke PhD**, College Professor, Budapest Business School, University of Applied Sciences, College of Commerce, Catering and Tourism, Hungary.

**Marius Brazdauskas**, Lecturer, Vilniaus kolegija/University of Applied Sciences, Faculty of Business Management, Lithuania.

**Amir Chamae**, Hotel Manager, Croatia.

**Robert A. Clark MSc FBCS FIBCM MBCI MSyI**, Freelance Business Continuity Consultant, Naxxar, Malta.

**Crispin Dale BA (Hons) PGCE MA SFHEA PhD**, Principal Lecturer, Faculty of Arts, University of Wolverhampton, United Kingdom.

**Kateryna Fedosova PhD**, Associate Professor, Hotel-Restaurant Business and Tourism Department, Odessa National Academy of Food Technologies, Ukraine.

**Sabina Fuller MBA PhD**, Lecturer, University of Economics, Bratislava, Slovakia.

**Wolf Magnus Gerstkamp MBA**, Lecturer in Leadership and Human Resources Management, Les Roches International School of Hotel Management/Laureate Universities, Switzerland

**Elizabeth M. Ineson BEd(Hons) MSc PhD FIH FInstTT**, Director of Research, EuroCHRIE and Coordinator, La fondation pour la formation hôtelière, Switzerland.

**Gordana Ivankovič PhD**, Associate Professor, Faculty of Tourism Studies, University of Primorska, Portoroz, Slovenia.

**Liběna Jarolímková PhD**, Lecturer, The University of Economics (VSE), Prague, Czech Republic.

**Mateja Jerman PhD**, Assistant Professor, Faculty of Management, University of Primorska, Portoroz, Slovenia.

**Bojana Kalenjук PhD**, Assistant Professor, Faculty of Science, University of Novi Sad, R. Serbia.

**Aivars Kalnins** Lecturer, Tourism and Hospitality Department, Faculty of International Tourism, Turība University, Latvia

**Ioanna Karanikola BA (Hons) MSc PhD**, Senior Lecturer, The Emirates Academy of Hospitality Management, Dubai, UAE.

**Contributors cont.**

**Marija Knežević Prof Dr**, Faculty of Tourism and Hotel Management, Banja Luka, Bosnia and Herzegovina, Republika Srpska.

**Zuzana Kvitkova Ing. PhD**, Assistant Professor, University of Economics, Prague, Czech Republic

**Phyllis Yongpei Li BA MA**, Script writer & editor, Guangzhou Language Expert Software Tech. Co. Ltd., China

**Mac McCarthy BA (Hons) MA PGCE PGCRRS FHEA**, Senior Lecturer [retired], University of Central Lancashire, United Kingdom.

**Daniela Matušiková PhDr PhD**, Lecturer, Department of Tourism and Hotel Management, Prešov University, Prešov, Slovakia.

**Valentin Niță PhD**, Professor, Alexandru Ioan Cuza University Iași, Romania.

**Roselyne N. Okech PhD**, Associate Professor of Tourism Studies, Memorial University of Newfoundland, Corner Brook, Canada.

**Sheree Anne O'Neill MCom BBus ATCL AdvDipMgt ARAD RTS**, Senior Lecturer, School of Hospitality, Tourism and Events, AUT University, Auckland New Zealand

**Tanja Planinc**, Master Assistant, Faculty of Tourism Studies, University of Primorska, Portoroz, Slovenia.

**Detlev Remy DBA**, MComm, Lecturer in Marketing and Revenue Management, Les Roches International School of Hotel Management/Laureate Universities, Switzerland.

**Neil Robinson BA (Hons) PGCE MA FHEA PhD**, Director of UG Taught Programmes: International Marketing and Service Management, Salford Business School, University of Salford, United Kingdom.

**Anna Šenková Ing. PhD**, Head of the Department of Tourism and Hotel Management, Prešov University, Prešov, Slovakia

**Melanie Smith PhD**, Associate Professor and Researcher, School of Tourism, Leisure and Hospitality, Budapest Metropolitan University, Budapest, Hungary.

**Anastasia Sorokina MSc**, International Hellenic University, Greece.

**Graham Stone BA Econ MSc**, Formerly Principal Lecturer, Manchester Metropolitan University, Manchester, United Kingdom.

**Andrea Szóke PhD**, College Associate Professor, Budapest Business School, College of Commerce, Catering and Tourism, Budapest, Hungary.

**Dragan Tešanović PhD**, Full Professor, Faculty of Science, University of Novi Sad, R. Serbia

**Contributors cont.**

**Maja Uran Maravić PhD**, Associate Professor, Faculty of Tourism Studies, University of Primorska, Portoroz, Slovenia.

**Matthew H. T. Yap BA MSc PhD**, Assistant Professor of Hospitality and Gaming Management, University of Macau, Faculty of Business Administration, Macau, China.

**Lina Žirnelė**, Erasmus Coordinator and Lecturer, Vilniaus kolegija/University of Applied Sciences, Faculty of Business Management, Lithuania.



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- **The contributors** for providing a further series of cases that present a variety of interesting international issues for consideration and debate.



# Introduction

by **Graham Stone and Elizabeth M. Ineson**

Cases provide a learning strategy through which students and trainees are required to consider debate and offer possible solutions to the questions posed. They can apply their knowledge of a range of academic theories, and/or their work experiences, to analyse and evaluate the problems involved. Such experiential learning is of value in developing in students and trainees informed and considered managerial decision-making within a learning and/or training environment where the importance of problem identification and problem solving skills are emphasised. In turn, a variety of geographical, cultural and different legal contexts provide a framework within which a broad spectrum of learning outcomes can be achieved.

## **The Role of Case Studies**

Case studies are summaries of real-life or simulated business situations based on personal or “second-hand” experiences, observations, interviews, word-of-mouth data and/or research. The cases might incorporate information from within an organisation, for example, past events, stories, critical incidents, etc. as well as external factors and influences. The cases included in this book are all based on, or developed from, real events. They enable management students and trainees to appreciate, comprehend, consider and resolve real departmental, inter-departmental and unit/Company problems and situations that may be encountered by operatives, supervisors, managers and/or senior managers in hospitality, tourism and event management. There also offer further opportunities to conduct research and to make management decisions and plans as indicated by the additional activities.

It is emphasised that case studies are designed to make students and trainees aware that in solving problems there may not be a clear or single solution; they enable students to apply theories in a real-life context, and they provide insight into issues that can assist them in developing and refining their knowledge and understanding in addition to their analytical and problem-solving abilities. The cases selected for study at any point in the academic course or training programme should be appropriate to the abilities and experience of the students and/or trainees and, ideally assist in meeting the learning outcomes.

From an academic perspective, case study research is more comprehensive than conducting research on one specific topic. In addressing the more advanced cases, students are encouraged to collect relevant and appropriate data from a variety of sources and then not only consider this information but also employ divergent thinking to brainstorm the case, followed by convergent decision making in order to devise and justify the solution(s). Questions such as: 'How?' and 'Why?' need to be addressed in the context of the scenario, paying particular attention to the human element in terms of customer care and the fair and correct treatment of employees and peers. Such studies allow students to gain valuable work related, problem-solving and planning, managerial experience without losing money, upsetting customers and staff, or putting themselves into positions that might evoke embarrassment, pressure or stress. From a practical perspective, students and trainees need to employ their work and life experiences to offer possible feasible, practical and, when appropriate, cost effective solutions.

### **Assessment**

Case studies allow the assessment not only of knowledge and application but also of higher order skills comprising analysis, synthesis and evaluation. The forms of assessment employed depend on the learning outcomes to be measured, and are at the discretion of the teacher, trainer or facilitator. These may include individual or group assessment; they may involve contribution to debates, written responses in the form of answers to questions, report writing, the development of strategic plans, workplace guidelines, training manuals et al. and/or individual or group presentations. No time limits are set or even recommended for responding to/solving the cases, as these depend on the nature and type of the requested feedback, the specific nature of the assessment employed and the depth to which the issues are examined.

### **Further Reading**

CAUTHE (2012). *The new golden age of tourism and hospitality, Book 1*, Proceedings of the 22<sup>nd</sup> Annual Conference, La Trobe University, Melbourne.

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# Part 1

## Non-revealed Case Studies



# Selfie stick – should it be regulated?

by Libena Jarolimkova

## **Introduction**

Selfie sticks became the main phenomenon of the 2015 tourist season. They are the most common object sold by street vendors close to the majority of monuments; they can be bought cheaply in many souvenir stalls. Using a selfie stick, tourists of all ages and nationalities can prolong their arm by about a metre to achieve a wider angle for their photos. They want to capture the most interesting photo possible and they rarely consider whether their behaviour with a selfie stick limits or even endangers others.

While trying to solve this case study, students should analyse different manifestations and consequences of one common current tourist behaviour – the usage of selfie sticks when taking photos. They should evaluate the positive and negative aspects of this behaviour and the possibility and feasibility of potential selfie stick regulations.

## **Background Information**

Almost two-thirds (64%) of tourism managers think that the taking of selfies should be monitored in some important touristic locations (Reed Travel Exhibitions, 2015). In particular, they believe that selfie sticks should be banned in some locations, as their usage has become widespread and selfie stick manipulation can bother or even endanger other visitors as well as the monuments themselves.

During the course of the 2015 summer season, many tourism hotspots introduced selfie stick bans. The bans were launched in important cultural heritage sites (for example, the Coliseum in Rome), church monuments (for example, the Holy City of Mecca), art galleries and museums (for example, the Louvre in Paris), theme parks (for example, Six Flags in the United States of America), as well as sports events (such as Arsenal soccer matches in the United Kingdom) and cultural events (for example, the Rio de Janeiro carnival).

## Conclusion

Photography is among the most common tourist activities. People keep travel memories not only in their photo albums but, more and more commonly, share them on their social networks, particularly photos featuring themselves such as selfies. The practice of sharing on social network sites is of crucial importance for destinations as it is one of the most successful modern marketing strategies. Therefore, the phenomenon of selfies must be considered from different angles in order to evaluate the overall impact of this trend on tourist destinations.

## References

Reed Travel Exhibitions (2015). *World Travel Market 2015 Industry Report*, available from: <http://news.wtmlondon.com/wtm-travel-reports/> [accessed 02 January 2016].

## Questions and Activities

1. Why did the usage of selfie sticks become so popular?
2. What advantages does the selfie stick bring to its users?
3. What negative aspects and risks are connected with the usage of selfie sticks?
4. Is there a location or particular monument in your city, where it would be preferable to regulate or ban selfie sticks? Why? Support your opinion with arguments and suggest a concrete regulatory solution.
  - Ask students to bring their smartphone and selfie stick (if they have one) to the class.
  - *Before introducing the case study*, simulate a situation inside an art gallery: Hang 1 or 2 pictures/paintings around at eye level on the walls and ask students to take pictures of the display alone, of an individual selfie with the art piece and then a group selfie with the art piece. The point is to simulate a situation inside a real gallery where many people attempt to take such pictures.
  - Alternatively, divide students into two groups: (i) representing the art lovers who came to look at the display; and (ii) those who are interested mainly in getting the best shot for their social media accounts.
5. How did you feel when taking a photo in front of the painting? How did you feel about what your classmates were doing (tolerant behaviour of other photographers, bothersome feeling - a feeling of being threatened by the stick)?

## Recommended Reading

Chacon, A. *Around the world in 360 Degrees – a 3 year epic selfie*, available from: [https://www.youtube.com/watch?v=VTIXttQL\\_Yk](https://www.youtube.com/watch?v=VTIXttQL_Yk) [accessed 24 March 2016].

## **Travelling on the Wrong Date...**

by **Daniela Matušíková**

The process of arranging a trip away from home and travelling per se can be stressful for many people. Service providers operate under different conditions and, without the help of a travel agency, the booking process may be difficult for the inexperienced traveller. For example, the process for buying or booking a transport ticket varies depending on the service provider. This case study examines a problem that occurred when buying an air ticket.

Greg was planning an interesting leisure trip to Berlin in Germany. He decided to book his tickets by himself because it was not his first time (actually he used to travel a lot) and he did not want to spend money paying the travel agent an intermediary fee. Greg tried to search for the best and most convenient ticket price on the web pages of several airline companies; after a short time his search was successful. He found a ticket from the closest airport to his home to Berlin Tegel airport. The travelling period was in October, so in the 10<sup>th</sup> month of the year. On the website Greg inserted the dates of the arrival and the departure, again by himself because it was the fastest way for him. The webpage of the company with whom he could get the best deal did not have an on-line calendar so he had to type the dates in manually.

En route, there was no problem. Greg passed through airport procedure and landed successfully in his final destination. On return, he showed his passport at check-in as usual. The lady informed him that she could not find his name on the list of passengers. He did not believe her so he gave her his passport again and waited for quite a long time. Her answer was the same. Then she asked him to show her his booking itinerary. After a minute she found the mistake. When he was booking the dates, Greg had interchanged the month with date. He was supposed to travel back on October 12<sup>th</sup> but his booking was made for December 10<sup>th</sup>. When entering the data, Greg had inadvertently entered the date of travel with the month of travel. Instead of inserting 2015/10/12 he inserted 2015/12/10 because the country in which he lives prefers the date to precede the month. Table 1 illustrates possible formats for entering dates and months of travel which vary across websites as there is no globally recognised format.

Greg was required to buy a new ticket and, because his flight was fully booked, he needed to wait for six more hours for the next one.

**Table 1 Different Formats for Writing and Entering the Same Date**

<b>Format</b>	<b>Example</b>	<b>Meaning</b>
dd-mm-yyyy	18-11-2015	November 18 <sup>th</sup> 2015
yyyy-mm-dd	2015-11-18	November 18 <sup>th</sup> 2015
mm-dd-yyyy	11-18-2015	November 18 <sup>th</sup> 2015
yyyy-dd-mm	2015-18-11	November 18 <sup>th</sup> 2015

Source: Author

### **Conclusion**

Nowadays, the majority of companies have on-line calendars where you do not have to insert the dates and where you just click and choose a date. Anyway it is always good to verify the dates or, when buying a product in a travel agency, repeat and check the date one more time.

### **Questions**

1. How should Greg have dealt with the situation on arrival at the airport?
2. What are the rights of airline companies in this context?
3. Should Greg be entitled to any compensation?

# Communication Barrier

by Daniela Matušíková and Anna Šenková

Communication plays a very important role in business, especially in the tourism sphere, between service providers and service consumers. Human potential is irreplaceable in this context because the services usually require its presence either in person or on line. Babu (2011, p. 13) states that: “Communication is vital to the success of tourism businesses since it is only through the effective use of communication that tourism marketers can offer to customers tangible cues about those intangible experiences”. Furthermore, while communication is an essential component in the conduct of any service business, it plays an overarching role in tourism.

Tourism service providers should operate according to certain competencies including social, technical, professional, economic, social and linguistic. Through communication competences tourism employees should be able to confidently, proficiently and creatively interact in shaping the work environment and its surroundings. This case study addresses deficiencies in communication skills which may cause a variety of serious problems in unexpected situations.

Current international tourism is multicultural and needs a workforce that is well experienced and skilled in communication in order to meet the specific needs of tourism consumers. In mainland Europe, it is no longer sufficient to be bilingual as, increasingly, especially in the major cities, the tourist profile is multinational; therefore, it is particularly advantageous if some tourism employees can communicate with visitors in their native language.

The case study is set in a popular tourism resort in a southern European country. The resort is located on the coastline. Annually, its tourism provision reaps numerous awards and it has hosted many important events, including summits, concerts, competitions, etc. It boasts extraordinary natural surroundings and several kilometres of clean beaches with a Blue Flag award. The capacity is approximately 3000 beds across the five areas of the resort.

The resort is popular with young students who are training to be tourism service providers. For seven months of the year (from April to October) many of the tourism businesses in the resort accept students from numerous countries for their summer practice. This possibility allows students to develop their professional knowledge, skills and experience, which links theory with practice, and subsequently offers the students a competitive advantage in the labour market. During each season about 1,500 students work there; the majority are from South-East and Eastern European countries.

One of the largest bars in the resort is located in Hotel Lefia; it is often occupied by guests who have just arrived or are about to leave the hotel. During the evenings the bar serves guests who attend concerts. Its capacity is 250 seats and it sports a long terrace with a breath-taking sea view. At the beginning of the season the human resources department chooses seven students to work in the bar. The group was multicultural and one was called Vlad. Each student, as well as their bar manager, was from a different country. The waiters were responsible for taking the orders, writing them down, bringing them to the barman and taking the orders to the guests. The bartender was responsible for preparing the orders taken by the waiters. Obviously, communication between them is very important.

Vlad was assigned the role of bar waiter although his understanding of written English, which was the communication language in the resort among the managers and employees, proved to be weak. Vlad was making mistakes in orders regularly. His written English was much worse than his spoken English and, after one month, he had still not bothered to learn exactly what items were on offer from the bar menu. This laxity caused unexpected problems for Dima, the barman, but because he did not want to cause trouble for the waiter, he did not report him to the manager. The manager, Stefan, was always busy so he did not realise that there was a problem. Dima repeatedly and quietly asked Vlad to study the bar menu to familiarise himself with it and to write orders correctly. Unfortunately Vlad did not listen and wrong orders came in repeatedly. Dima began to lose his patience when yet again Vlad submitted a wrong order and he had made up the wrong cocktails. After tasting, the guest complained to Vlad who returned the drink and submitted a second order. However, the incident was not reported to Stefan.

Following the mixing and delivery of the second drink, the guest complained again directly to Dima, who was responsible for mixing the drink. Stefan happened to overhear the discussion

so he intervened. After a few minutes the problem was clear. Stefan found out that the communication barrier had created problems. Vlad was not reprimanded. In fact, he was treated extremely fairly by Stefan. He was given a few days to study the menu and all its components with the help of Dima. However, he was still struggling after one week so he was moved to housekeeping where service provider/guest communication is a less crucial issue.

## Reference

Babu, G. (2011). Communication Skills for Success: Tourism Industry Specific Guidelines, *Anglo Higher*, Vol. 3, No. 1, p. 13, available at: [http://www.anglohigher.com/magazines/magazine\\_detail/97/38](http://www.anglohigher.com/magazines/magazine_detail/97/38) [accessed 24 March 2016].

## Questions

1. As a human resource manager, how would you avoid recruiting such an employee?
2. How should Stefan have been involved from the outset?
3. How would you prepare students/employees for face-to-face communication duties?
4. Should Dima have informed Stefan about the problem with Vlad?
5. What are advantages and disadvantages of multinational teams?

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# **Assessing the Role of Employee Training for Hotel Sustainability Development**

**by Marius Brazdauskas and Lina Žirnelė**

The hotel industry tends to be more and more involved in the global sustainability-inspired agenda by making hotels even more attractive to new sustainability-driven consumers. Indeed, the hospitality industry's main reasons for promoting sustainability focus on building a stronger brand image, better reputation as well as benefitting from a potential reduction of cost and an increase of revenues (Jayawardena, 2013). In turn, adopting sustainable hospitality programmes can provide a significant competitive advantage to businesses; therefore hospitality businesses are increasingly taking advantage of sustainability programs both as cost saving opportunities and customer attraction possibilities. Furthermore, it is noteworthy to mention that this trend towards sustainable hotels not only addresses environmental concerns by saving resources, but it also improves guest satisfaction and new expectations. Nevertheless, to advance sustainability-driven initiatives and programmes within a hotel setting is a challenging task since almost all operations of a hotel could be sustainably advanced. It could be argued that sustainability issues impact on nearly all aspects of hotel operations. Hotel sustainability entails purchasing, waste recycling, food management, laundry, cleaning, conservation, planning etc. (Jones, Hillier and Comfort, 2013). In this context staff involvement, knowledge and especially training play a key role since sustainability is a knowledge-intensive and expertise-driven field.

This case study focuses on the role of staff training for hotel sustainability development in Hotel Verda. Inspired by the trends in hotel sustainability, hotels' top management have initiated many new sustainability-driven initiatives hoping to attract more new customers and enhance the appeal of the brand of their hotel. Their proposed initiatives included all the initial steps that would facilitate green hotel brand building like hotel energy conservation with environmentally friendly and mercury-free lighting, waste and resource reduction possibilities (including such initiatives as cleaning only 'dropped on the floor towels'), sustainable and chemical-free room cleaning and bathroom supplies, sustainability-oriented purchasing, pesticide-free landscaping, etc.). The staff in Hotel Verda welcomed top management's

initiatives with great passion and support. In turn, each empowered hotel department created and introduced their plans and formulated a pathway towards sustainability goals; soon the implementation began. However, the process of implementation brought some problematic issues to the fore. Staff lacked necessary knowledge and expertise to develop and progress their sustainability initiatives forward. For instance, the hotel's purchasing manager, Jacko, claimed that his department did not have sufficient knowledge regarding sustainable purchasing criteria since it involved much specific environmental knowledge which they had never used before; therefore, Jacko asked top management to hire expert consultants and to introduce staff training.

However, top management insisted that staff should be more pro-active and figure out solutions to the problematic issues for themselves. Indeed, top management was reluctant to invest in staff training since they considered it not to be an essential business expense. They made it clear that staff would have to tackle the new sustainability initiatives on their own, learn on their own, seek expertise on their own at their own expense, and that the initiatives formed part of their new job roles. It was not surprising that this top management's approach mitigated the initial passion and support from the staff, and the sustainability-inspired initiatives lost momentum. The progress and further sustainability-oriented development at Hotel Verda was highly affected by the hotel staff's lack of expertise and know-how, and top management's reluctance to invest in the professional training of their staff.

Since in many cases staff are mostly unprepared and unqualified to work with sustainability issues, top management need to take all the responsibility for professional staff training. This approach requires top management to be aware that sustainability initiatives, including dealing with the issues of pollution, waste management, biodiversity, climate change, resource management, and other environmental problems, require substantial expertise and knowledge. Furthermore, effective, well-organised training, that is crucial for building a common purpose and progress across an organisation, may be costly to implement in terms of time as well as money. Additionally, much training must be specialised with respect to departmental topics, specificity and needs. Managing sustainability issues is a challenging and extensive task since sustainability requires incremental and continuous improvement. Moreover, new sustainable innovations are reaching hotels every day and, in some cases, innovative solutions tend to be highly complex, requiring a different kind of skills and competencies. In this respect, continuous development of competencies and training are of key importance in order to find

innovative solutions and opportunities to develop more progressive and sustainable business models (Brazdauskas, 2015).

In order to maintain a competitive edge, the hotel industry may adopt various approaches to staff training like internal and external training, workshops, coaching, etc. (Brazdauskas and Gaigalaite, 2015). Among the most preferred options are internal or external training courses. This type of training may consist of a single (or multi-day) course or a series of related courses that enhance a range of required skills and knowledge. External training may include short courses (or workshops) and the longer (usually part-time) courses that often lead to a qualification. Likewise, training opportunities may include distance learning possibilities. If time availability is an issue, training may focus on shorter options like internal or external workshops or seminars. For instance, organising sustainability-driven workshops for staff members provides a great opportunity to invite outside experts to address smart environmental practices, innovations and products. This approach helps the staff to stay up-to-date on sustainability issues and to understand the bigger picture of the whole process. Sustainability-driven coaching is also gaining momentum as a training option; it involves inviting consultants, experts or hotel sustainability officers to train and lead staff on specific tasks.

At this point staff could be introduced to the concept of self-directed learning, which is a new approach in the context of organisational learning (Brazdauskas and Gaigalaite, 2015). It refers to such educational goals that an individual can pursue on their own. However, this is a highly structured process, often guided by professional trainers. The approach implies that staff members should focus on developing specific areas according to their own needs, priorities and schedules. The learner has control over the learning process and resources. For instance, the learner may choose to read relevant books, articles, available on-line information, professional journals or magazines, taking on-line courses, attending seminars or workshops. Self-directed learning is a highly worthwhile activity if it is part of a well-planned self-educational pathway. In this context, the introduction of employees' self-development plans, which could be formal documents that identifies their specific learning and development goals, might be a possibility. The manager and the staff member would develop this plan jointly by setting the goals of competence development in order to achieve a hotel's sustainability-oriented goals. Furthermore, such plans could function as a part of a formal career development programme in a hotel. Promoting self-directed staff learning might work in some cases, but since hotel sustainability involves complex and diverse approaches towards

sustainability management: energy and water efficiency, waste management, biodiversity protection and conservation, sustainable purchasing, etc., this approach would not be an ideal solution if the staff needed professional expertise and know-how.

Another possible approach towards training and learning is forming objective-based learning teams (Brazdauskas and Gaigalaite, 2015). Since the area of sustainability includes many complex situations and possibilities, staff members usually need to focus on a particular area of their work specificity; for instance, a team for waste management, a team for purchasing, etc. This approach promotes learning and training through continuous peer support provided by regular learning team meetings; it tends to be especially highly effective when hotels attempt to build sustainability-inspired teams which would act as change agents throughout the hotel.

Hotel sustainability training may be a highly complex process since it covers everything from sustainability policies, programmes, goals, and performance to all aspects of business operations, including suppliers, waste and emission management, product design and life cycle (Maon, Lindgreen and Swaen, 2009). Staff need to learn, and be reminded continuously, about their role in supporting sustainability in a transformative way that helps them acquire a new mind set, competences, skills, and behaviours. Indeed, investing in employee training usually turns out to be the best investment businesses make since it is a pathway to creating internal organisational intellectual capital. Amongst the greatest problems, of course, in any staff training are time and motivation. If the training is in work time, that is perceived to be fair from the employee's perspective but how many staff want to self-direct their learning away from the work environment and how many employers are prepared to allow staff time for self-directed learning within the work environment? Therefore, hotel management need to promote and design effective learning opportunities, training formats and tools to meet the needs of not only the hotel but also the individuals who work there.

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### **Questions**

1. Why is staff training so important for advancing hotel sustainability?
2. What are the possible options and formats for staff training in order to promote hotel sustainability?
3. How could you assess the potential and benefit of self-directed learning in comparison to other staff learning and training options?

# **Promoting the Motivation of Green Teams for Developing Sustainable Hotels: the Role of a Shared Vision**

**by Marius Brazdauskas**

As consumers are becoming increasingly interested in green and environmentally-friendly products and services, many hotels are going green or are considering becoming green. The past few decades have seen a fast growth in awareness and initiatives among hoteliers regarding hotel sustainability due to the high popularity of green issues among consumers, media and sustainable lifestyle promoters. Indeed, as sustainability penetrates more and more into the mainstream lifestyle, increasing numbers of hotels are employing highly-motivated employees who want to contribute towards sustainable goals within their hotel setting. These formal and informal teams are usually referred to as green teams. Green Teams originate from different motivational contexts. Sometimes Green Teams are formed exclusively by pro-active staff as a grassroots model. Sometimes Green Teams are inspired and created by senior level managers. What is the role of green teams? Green Teams tend to start and advance various sustainability-inspired initiatives within the organisation in order to promote environmentally-friendly approaches towards different business operations.

This case study introduces a great Green Team which was created by highly proactive hotel employees who put much effort into promote sustainability and green initiatives at the hotel where they worked. From the very beginning of their Green Team creation, the hotel's top management seemed to support the Green Team's proactivity and initiatives. The Green Team organised many regular staff meetings, offering them unique opportunities to raise awareness among the staff about the benefits of sustainable innovations, greener products, services etc. They also put up sustainability-inspired posters in their workplace with motivational messages and environmental information. Finally, the team developed their coherent sustainability plan which united the team's ideas and initiatives, and they presented this plan to their top management.

To their surprise, the hotel's top management rejected many of their proposals without explaining the clear reasons for rejection. Furthermore, the top management did not explain

their vision for further hotel sustainability development. This situation was very confusing for the Green Team since their initial efforts were highly supported by the top management. Why did top management show initial support and then reject the proposals? This top management's approach left the Green Team demotivated and confused; therefore their initial efforts lost motivation. What was wrong with their sustainability plan? What do top management expect? What is top management's vision for the hotel's sustainability development?

The core element of this case study is the issue of a shared vision. Briner, Hastings and Geddes (1996) state that the most significant success factor is to have a common and shared idea of what difference they are trying to make as a result of their efforts. If employees understand management's vision, they can orient their efforts accordingly. A vision identifies a preferred future end state (Lewis, 1997); therefore, a vision sets direction. A vision unifies all employees for a common purpose, and, in turn, it facilitates future decision-making, prioritisation and assignment of resources (Collins and Porras, 1996). Once employees feel an understanding and have a sense of ownership of the vision, they are likely to project their efforts towards the visionary direction not only with passion but also with understanding.

The literature review (Senge, 1990; Collins and Porras, 1996; Lewis, 1997; Bennis and Nannus, 1997; Lipton, 2003; Levin, 2003; Christenson and Walker, 2004) suggests that a well-constructed vision has many benefits and strategic advantages. A good vision leads and offers answers. Good leaders know how to connect to their employees by showing them how to connect the dots and understand the big picture. Communicating the big picture regularly is one of the key functions of a good and inspiring leader since the very nature of a vision is to enable employees to feel that their work has purpose and understand deeper the meaning beyond the tasks they perform each day. This approach makes their work more meaningful and potentially more rewarding. Moreover, a good and well-communicated vision holds the potential to stretch an individual's capabilities and self-image since it provides shape and direction to his/her future.

As organisations need to make hundreds of decisions per day to survive in the business environment, vision helps to simplify and orient the decision-making processes. Christenson and Walker (2004) have identified vision-oriented components, qualities and elements by arguing that a good vision should have the following characteristics. First, a good vision must

clearly capture the core purpose, preferred future state and essence as its *raison d'être* implying that a vision must be well understood among all employees. Second, a good vision must make a convincing case to follow it so it must be motivational. Third, a good vision must be consistent and take into account employee cultures or sub-cultures that appeal to their values, so that it resonates with them, to make it more credible. Finally, a good vision should be proactive to facilitate teams to work smarter, more directed and more effectively, by identifying clear goals to challenge their effort (Christenson and Walker, 2004).

In contrast to the quality-based view of a good vision, Lewis (1997) suggested a process view for building a shared vision that has six phases. The first phase refers to the organisational audit which implies an environmental scan of the current state. The second phase is an anticipatory readiness that entails preparing for change. The third phase is about the creation of a shared vision followed by the fourth phase of recognising the obstacles or measuring the anticipated impact of the vision. The fifth phase entails the actual implementation of the vision and gaining commitment of the entire organisation to the vision. Lastly, the sixth phase is about a continuous improvement and a periodic review and update of the vision to ensure it remains current and everyone remains committed to the vision (Lewis, 1997).

Some authors also point out that a vision should be as stable as possible to serve as a guiding star (Lipton, 2003). Stability in a vision, and its consistent management support, is a necessary condition for a vision to be successfully implemented. Nevertheless, stability is almost impossible under current business environment conditions, especially nowadays where business environments are highly volatile, competitive and need to adapt and change very quickly (Levin, 2003). In this respect, stability may infer resistance to change which, in turn, suggests that visions should be resistant to change. On the other hand, one can argue that if the vision is constantly changing, this may imply that the organisation has not been really successful in creating its vision.

Another key feature of a good vision is promoting employee personal pride. If employees develop a sense of pride about their organisational vision, they become more loyal, more motivated and, usually, more appreciated. A sense of pride tends to translate into more productivity and personal efforts. Therefore, a good vision excites and personally motivates. A good vision must be a future that everyone is longing to create and progress towards. It must bring out the passion in employees to commit to seeing that vision come to reality. Finally, a

good vision includes everyone. A jointly shared vision among all employees and their sense of personal pride turns the vision into a remarkable progress (Katzenbach, 2003).

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## Questions

1. Why is a shared vision the key to advance sustainable hotels?
2. What do you believe to be the qualities of a good vision?

# **Creative Products in Tourism**

**by Anna Šenková and Daniela Matušíková**

Experience belongs to the most preferable motives while deciding about travelling and choosing the final destination. The more interesting the place is to them, the more attractive it is for the majority of tourists. The local products should comprise not only basic services but they should also bring something of value to the experience that cannot be easily found in the other places. When creating tourism products various inspirations may be used. Nowadays, innovations contribute greatly to the success of products because many tourists are well-experienced and therefore, they seek complex products with added value.

Slovakia, a country located in the Middle East of Europe is sometimes referred to as ‘the heart of Europe’. Although it is landlocked and not large in geographical area (about 49,000 square kilometres) its potential is perceived to have significant tourism value. Its attractions embrace natural heritage, including parks, protected areas and caves as well as historical sights, cultural heritage and many other places of interest.

In addition to the above, some regions are specialising in promoting the well-known mineral water resources; Slovakia has approximately 1,800 high quality mineral water springs and their potential is exploited not only by the local population and visitors for health and relaxation reasons but also the water is processed, bottled and sold to the public. The spa waters are rich in various minerals and recommended for curative purposes, in particular for the digestive system. To encourage tourists to visit these areas, a special route has been mapped out, called “Route via Mineral Springs” and a logo has been created to ‘trademark’ the area and its attractions (See Diagram 1). The route offers tourists not only spa waters but also interesting walks through the outstanding natural environment in this region, which is located in the eastern part of the country.

The Route via Mineral Springs highlights the unique natural wealth of the region and constitutes one of the pillars of local tourism development, which is perceived to be beneficial to local communities in strengthening their image, maintaining their populations, encouraging

local entrepreneurs and, in turn, benefitting the local economy. Examples could be found in development of agro-tourism, hospitality industry and so on. For many citizens it can also be an opportunity to obtain decent work in the region with a high unemployment rate (15.71% - 2013), to become again beneficial for the community and also assist in the development and promotion of a positive community and its region. The project idea was based on an already worked out SWOT analysis and a questionnaire survey among visitors of the region and the local population ([www.visitspis.sk](http://www.visitspis.sk)).

**Diagram 1** Logo of Mineral Springs Route



Source: [http://www.visitspis.sk/125-info\\_o\\_projekte](http://www.visitspis.sk/125-info_o_projekte)

**Questions:**

1. Consider and discuss the potential in your region for creating a special or innovative tourism product?
2. Would this product be of interest to: (i) Local; (ii) National; and/or (iii) International tourists?
3. How would you recommend promoting this project to each of the above subgroups?

*Note: These questions could form the basis for an individual or group assignment, with or without a presentation.*

**Recommended Reading**

See [http://www.visitspis.sk/125-info\\_o\\_projekte](http://www.visitspis.sk/125-info_o_projekte)

*Note: Some of the information on the above website may be translated directly into English if required via the option on Google.*

# Tragedy in the Tatras

by **Aivars Kalnins**

## **From mass media sources**

A travel agency, which is not a member of the Association of Travel Agents but is highly popular with a loyal customer base, has over recent years organised up to 14 group tours to Poland and Slovakia. The tour itinerary includes visits to Wieliczka Salt Mine, Krakow, Poprada, the peak Chopok in Low Tatras, Demänovská Ice Cave, rafting on the Dunajec River and a whole day of trekking along mountain paths of High Tatras on the final day before the journey back home.

Tatra ([www.nizketatry.sk](http://www.nizketatry.sk); [www.vysoketatry.com](http://www.vysoketatry.com)) is the smallest mountain range in the world with more than 25 peaks that exceed the height of 2500 metres. The highest peaks are: Gerlach Peak (2654 m); Lomnický peak (2634 m) in the High Tatras; and Chopok (2024 m) in the Low Tatras. The forest reaches a height of 1500-1800 metres with alpine cover (spruce, mountain pine and grasslands) across 1500-2300 metres, and bare rock and ice from 2300 m upwards. When trekking along the mountainous trails in the High Tatras one can admire the waterfalls, mountain lakes and views of valley from a height of 2000 metres. Most of the day high up in the mountains is spent in nature and therefore it is necessary to have the following equipment: footwear (with studs) suitable for mountain trekking, for example, sports shoes or mountain boots; a good windproof jacket to protect against mountain winds and rain; sunglasses and hat; trekking poles; and a backpack with water bottle, sandwiches and a medicine kit. The Tatras are well known for their unpredictable weather conditions.

On September 26<sup>th</sup> at half past nine in the morning a tourist bus took a group of 39 tourists to the mountain electric railway line in the city of Stry Smokovec on which the tourists travelled to the starting point of their mountain trekking trip. The tour leader, also a guide with over 12 years of experience in guiding mountain trekking groups, had already informed the tourists on the bus about the levels of difficulties of the various trails and the clearly visible blue and green markings on the trails. Each tourist was given a mountain trail map. The weather conditions were suitable for climbing; the weather was a bit cloudy but without any showers. The weather forecast announced that snow was expected only after two days. The mobile telephone

number of the tour guide had already been given to the all members of the group on the first day of the tour.

The group climbed together till they reached the waterfalls where the trail split into two trails: blue and green. The majority of the group, who were without the tour guide and comprised most of the seniors, continued along the blue trail to Zbojnicka chata mountain hut where they had a meal. They returned later to the electric railway line and took the train to their bus.

The tour leader, along with the other 15 tourists, trekked along the green route. The tour leader reminded the group again about the higher level of difficulty of the green trail route, the rocky and steep nature of the trail at the final stages but added that the trail was negotiable by families with children. However, it was pointed out that those group members who felt during the trek that they had overestimated their capabilities would be able at any point to return back the same route to the waterfalls and then continue along the blue trail. Three tourists did just that.

The rest who continued along the mountain trail with the tour guide included families with children. When the group reached the steepest part of the trail a hail storm and a cold gusty wind blew in. The guide did not have the chance to change the trekking plans as she was at the end of the group. The entire group despite the weather conditions climbed higher and with great efforts reached the Teryho chata hut at a height of 2015 metres; they were wet and cold. The hut was jam-packed and there were no free places to sit but one could still buy hot tea and something to eat.

When the guide announced that there was not enough time left to traverse the whole route to the end of the trail, as it would require them twice as much time than they had planned and that they would have to return to the bottom of the mountain by foot, there was a panic. Everybody had understood that they would return back by train. The mountain was enveloped in fog. The guide, without making sure whether the whole group including families with children, the youngest of whom was six, had understood that they must return back along the green trail to the bus, started her way back.

In the meantime, someone at the back of the group had looked at the map and decided that the yellow trail would offer a quicker route to the bottom of the mountain. As there was no

information regarding the fact that the yellow trail was of a higher level of difficulty, with which only people with excellent physical fitness could cope, five tourists decided to go down the yellow trail hoping to reach the train station. At first, the yellow trail which they had started to descend, went along a sort of plateau and even led them slightly downwards, creating a misleading impression that the trail was not that impossible to cope with. After a short while, three tourists seeing that they were going in the wrong direction, returned to the mountain hut and then went down the green trail. On the other hand the remaining two - 62 and 70 year old tourists - continued along the yellow trail. The trail did not lead to the train station and the closest populated area was about eight hours away by foot. At 6 p.m., the guide checked and then she noticed that two tourists were missing from the bus. They did not answer their mobile phones and they had not called the guide. The guide informed the mountain rescue service who started search operations that continued on till midnight. Sunset was at 18.30 that day.

The search for the missing women was carried out according to the cell phone signal that one of the women had with her in her backpack. The rescue service equipment indicated a wide range of location of the mobile phone. The rescuers stated at midnight that the wind was too strong, the snow too heavy and the mountain too icy for them to continue; with temperatures of minus three degrees Celsius rescue operations had to be suspended till the morning. The next day the lost tourists were found dead as a result of hypothermia, at about nine in the morning on a ledge, a 20 minute walk away from the hut where they had had their food in warmth the earlier day. Moreover, during the whole night there were some people in the hut and two of the rescuers had spent the night there. Both tourists did not have clothing and equipment appropriate for trekking in the high mountains in such bad weather conditions.

A Slovakian interior ministry representative, Mr. Petar Lazarov, announced that only in the afternoon the weather conditions had become normal and it was possible to send a rescue helicopter to the area to bring back the bodies. More than 40 professionals and volunteers were involved in the rescue operations and carried out their duties in especially unfavourable weather conditions. The police continued their investigations but they remarked that every year there were tragic accidents in the Tatras: "A lot of people do not take into consideration the safety rules when they go into the mountains poorly prepared, for instance, inappropriately dressed or in poor health condition. The fact that weather conditions in the Tatras are

unpredictable is nothing new and if people are not prepared for it the excursion can end tragically" (Dienas Bizness, 2015).

The tourism company, in its announcement, explained the facts of the tragedy but did not refer to the adherence to documents and instructions drafted by the company and their relevance to that particular situation. The Travel Agents Association management indicated that the tourism company and the guide should provide all the information regarding the tour and the risks in advance in writing so that people could adequately evaluate their strengths/capabilities to complete a specific trail or activity. The Association's management also announced that an analysis of the causes of the accident had been carried out and methodological recommendations had been drafted to avoid similar situations in the future.

Experienced alpinists consider that such a tragedy would not have happened if all the instructions had been followed and underlined that more guides were needed with a group climbing up such a mountain. Nowadays tourism companies still may not provide sufficient guides as it is not profitable for them and, therefore, the trekking organisers are to be blamed for the accident.

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## **Questions**

*Note: The recommended reading should be issued in advance of the case being presented and discussed.*

1. How should a tour leader – guide have acted in order to avoid such a tragedy?
2. What documents need to be drafted, and what measures need to be carried out by tourism companies, to improve the quality of the service and to avoid the occurrence of similar tragedies?
3. What documents need to be drafted by the Association of Travel Agents and Tour Operators to promote the quality of services provided by its members and to ensure that “fair play” rules in its operations both amongst its members and between tourism firms and their customers?

### **Recommended Reading**

Information on Low Tatras/Nizke Tatry available from: <http://www.nizketatry.sk> [accessed 2 April 2016].

Information on High Tatras/Vysoke Tatry available from: <http://www.vysoketatry.com> [accessed 2 April 2016].

## **Conflict in the Apartment Complex**

**by Nikola Atlagić and Marija Knežević**

The case study recounts an event in an apartment complex in a mountainous area of Bosnia and Herzegovina, during the World Rafting Championship. The extensive preparations for the World Rafting Championships were finished. Within the framework of preparations for the quality organisation of the event, and for the better conditions of all competitors, referees, journalists, supporters and other guests, very careful steps were taken in order to improve the hotel offerings and capacity. Although many facilities were reconstructed, a certain number of new facilities equipped in compliance with the highest world standards were also built and put into use. The latter included a new apartment complex, which in addition to standard facilities, was also equipped with video surveillance so that the guests could feel safe.

The guests were booked into this new complex through leading world providers, which indicated their prominence and high reputation. The competitions were held in accordance with the schedule; most of the guests were very satisfied with the accommodation, but one group of guests from South-Eastern Europe was unpleasantly surprised.

A duty technician checking the video surveillance noticed that far more people were accommodated in the most expensive apartment than were registered on the booking form and at the reception desk. He informed the chief of security who immediately called the manager and informed him about the problem. The manager arrived in the apartment complex very quickly and visited the group in the luxurious apartment. He tried to draw their attention to the fact that there were unregistered guests in their group. He pointed out that not only had their actions breached the hotel regulations but also they had compromised the security of competitors and other guests, especially in the case of an emergency. The manager then faced serious problems.

The receptionist tried to explain to the gate-crashers (additional guests who had not booked places) that they were violating the house rules and threatening the safety of other guests and contestants. However, the offenders were celebrating the achievements of their compatriots

and they were visibly intoxicated; they were not ready for any dialogue; they verbally and physically attacked the manager who saved himself from further insults and attacks by calling the security. The perpetrators, who were suffering from the effects of alcohol, were still not prepared to listen. Instead, they provoked a fight in which the police had to intervene. The trouble-makers were then taken to the police station where their identity documents were checked; those people with very high levels of alcohol in their blood were detained until the next day. The police searched the apartment and announced that among the guests' belongings there were no weapons or other objects which could endanger the security of the guests and competitors. During the night, the identity of the unregistered guests was checked with Interpol in order to establish whether any persons had been previously convicted and, if so, for what kind of offence. It was established that there were twice as many guests in the apartment than were registered on the reservation forms and by the receptionist.

The following day, after a sleepless night for a large number of apartment complex guests, the manager spoke to the leader of the group and requested that all of the unregistered guests must either leave the apartment or pay if they wished to stay there for two more days - until the end of the competition. The apartment guests decided to show solidarity with their friends so they all left the apartment complex and found accommodation in another part of the city.

Upon returning home, some guests, who had booked into the apartments legitimately, accessed the website of the provider and gave very poor marks to the apartment complex for location, hospitality, service and cleanliness; however, they covered up the real reason for their claims, which are now ruining the reputation of the host. In their written reports they did not mention the problem that caused their dissatisfaction, although they did write in bold letters a warning to potential future guests to avoid the apartment complex which, according to their words, was 'very disappointing' and being run by 'unqualified, incompetent and unprofessional staff'.

Furthermore, the well-renowned international booking agent had also received complaints from dissatisfied guests. Without contacting the management of the apartment complex or checking what the problems were, the agent posted some very negative assessments on their website and, in doing so, greatly damaged the reputation of one of the newest and most exclusive accommodation providers in the area.

### **Questions**

1. Could the above problems have been avoided? If so, how?
2. Who acted wrongly during this event? Consider the: booking agent, technician for video surveillance and/or his boss, manager, security, police, receptionist and the guests who used the accommodation, either illegitimately or believing that their actions were acceptable.
3. Should those guests, who were booked into the apartment legitimately, be held responsible for paying for the additional guests whom they invited to join them? Why? Why not?
4. Should the booking agent have contacted the apartment manager to discuss the reasons for these bad reviews prior to posting them on the website? Why? Why not?

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## **Customer Service Standards and Strategies**

**by Sheree Anne O’Neill**

An international aircraft was stranded in Hong Kong for 19 hours, resulting in passengers camping out in the terminal. Passengers initially remained on board for two hours, before they disembarked and queued for accommodation, only to find there was little available in the city over the holiday period. A long wait in the terminal ensued, with some people unhappy about the level of communication from the airline. Passengers were not informed as to the reason for the delay, nor given an expected time frame within which their flight would depart.

One passenger said: “Twenty rooms were found for families with children and some elderly travellers. The rest of us have been camped out in the airport lounge all night.” Meal vouchers were handed out 15 minutes before the food stalls closed, but unfortunately ground staff did not have enough meal vouchers to give to all of the affected passengers and as a result, some passengers were left tired and hungry. It took three to four hours for bottled water to be handed out and no-one could take a shower. Another passenger said: “I didn’t get a wink of sleep and spent the night reading. The situation was a complete shambles”.

It was then revealed that some of the crew went out drinking, making them unfit for duty if the plane had been made airworthy. Unfortunately around 80 passengers remained in the terminal overnight and they were provided with blankets and pillows, as well as water and snacks. They were also offered a cash payment as a gesture of goodwill for their inconvenience.

### ***Questions and Activities***

*Note: The recommended reading should be issued in advance of the case being presented and discussed.*

1. Identify and briefly discuss two key areas of unacceptable customer service practice that took place in the above scenario.
2. For each of the two customer service areas you identified in question one, provide two customer service standards that the airline should put in place.

3. For each of the four customer service standards you identified in question two, provide one strategy that the airline should put in place to help the airline and their staff achieve those standards.



## Part 2i

### Revealed Case Studies



# Seasonal Hotel Management by an Expatriate: challenges and surprises

by Amir Chamae

Working as a hotel manager is definitely not easy, especially when it comes to the situation where you are not a resident in a place where you work and you are not familiar with the local culture, habits, amenities, working environment, people and companies. These case studies exemplify possible ‘adventures’ that await a new manager in unfamiliar surroundings and examine ways in which s/he might prepare her/himself for all possible situations in the future. The case hotel is seasonal, operating only in summer, from mid-May to mid-October, because of the favourable climate. To begin with, there are challenges associated with any seasonal job because the job is not permanent and there are often frequent changes of location. Therefore, it is imperative to be prepared for ‘the unexpected!’

## **Hotel X – an overview**

Hotel X is located on the southern beautiful Adriatic coast in Croatia, recognised as a very famous tourist destination. Hotel X is family-owned and located in the city centre. The hotel is located in the oldest building in the city - about 180 years old - and is under the protection of cultural heritage; it is the pride of the city, because it looks like a small fortress. It was once a house, then an apartment building and a public library and today the hotel occupies two floors with a bank inside its premises on the ground floor. The current owner, an expatriate, is negotiating to buy the bank. As an expatriate, owning such property in a touristic centre, local people may judge you as a stranger who has come to take something from them. Hence, the first problem of this complex case – it seems that in some locations, foreign business owners may not always be welcome.

Hotel X has eight rooms of which one bedroom is an apartment with a gallery and a most beautiful view. At the very top of the Hotel X there is a terrace that provides a stunning view of the main square and the entire city. The terrace is sometimes used as a restaurant for special VIP dinners and serves special seafood and fish specialties from the Dalmatian coast. The current category of Hotel X is a 3 star rated property but it is not in ideal condition because the

current owner invested unwisely in the restoration and decoration of the hotel and, for many years, there was no investment in the existing infrastructure. Hotel X offers only bed and breakfast service and guests have a discount for other meals at the hotel restaurant. The hotel restaurant serves breakfast and the afternoon kitchen is operated by an outside company that has a restaurant for hotel guests and also “outside” guests. The entire property on which Hotel X stands is in the heart of the city, near the main square and many clubs. The hotel has a lot of complaints because of loud music throughout the whole season due to its proximity to the clubs located close by, but this is not an uncommon situation in such compact urban tourist centres.

**(i) Coffee Bar Z**

The adjacent coffee bar Z located its tables and chairs on the premises of the Hotel X, using a terrace that reached into the very lively street. As required by the city authorities, the owner of each terrace needed not only permission to use it but also had to pay the annual fee for occupying part of the city’s land. As Hotel X’s terrace spanned its own urban land, it was necessary to request consent from the city authorities, with supporting papers, to have the concession to use the urban part of the terrace. The request was submitted in winter but the approval came late, at the beginning of June, when the season had already begun. Not being familiar with the local government and the normal waiting time for approval the manager was amazed by this delay. He had made numerous visits to the office but found it almost impossible to get any concrete information about the progress of his application. Following the approval for Hotel X to use the space, a further problem arose. Coffee bar Z continued to occupy the hotel terrace illegally as they did not have the concession. A few weeks later, the owner of Coffee bar Z refused to remove the tables from the terrace but the local authorities did not respond to the hotel manager’s complaint because they knew owner of Coffee bar Z personally. Guests of the restaurant and Hotel X suffered, because the food and beverage operation could operate successfully only with access to the outdoor terrace, where the hotel guests especially enjoyed breakfast in the sunshine.

A mutual oral agreement between the owner of Coffee bar Z and the owner Hotel X, resulted in the removal of Coffee bar X’s tables and chairs, but only with the promise that the owner of Hotel X must lobby for them with the mayor of the city. They had submitted an application for a terrace on the main square, where no one else had a terrace - and they were subsequently successful. Coffee bar Z got a terrace on the main square and Hotel X finally started to operate

its restaurant on the whole terrace, but with considerable delay which incurred substantial financial losses.

### ***Questions and Activities***

1. Identify the problem and the causes that led to the incident.
2. As the hotel manager, how would you react in this situation?
3. How might similar incidents be avoided in future?
4. To whom should such problems be reported?
5. How might Hotel X gain more favour with the local people?
6. With a limited budget, prepare an action plan to promote Hotel X that involves the local community.

### **(ii) Cultural Differences**

The mentality and work ethic of the people in southern Croatia is totally different from that in the north. A simple example is that banks and shops are closed during the lunchtime in the south as local tradition dictates that at lunch time people do not need to work. People from the southern part of the country are more religious, emotional and easy-going in comparison with other Croats. These cultural differences may result in clashes when people from different parts of Croatia have to work together, sometimes resulting in unpredictable happenings in the workplace. In a hotel, employees' reactions to certain business tasks may be difficult to handle and to understand from the manager's point of view. Cultural differences are visible at first glance. People in the north have learned to work under pressure and are more independent, sometimes attributed to local governance.

This case exemplifies two women, employed in the room service department, who were very family-oriented. Their personal problems began to reflect in the quality of their work and they obviously were in need of counselling by management. One day, one of these ladies came so upset by her family problems that she could not focus on her cleaning work. Although she left one toilet dirty, she automatically put the tape on the toilet that claims it has been cleaned and disinfected. The same day the owner happened to arrive for a hotel inspection and he was accommodated in the room with the dirty toilet. He was extremely shocked and immediately called for a meeting with the hotel manager, the room service person and the receptionist. Thankfully, the room had not been allocated to any external guests so avoiding complaints and any communication via social networks that could have downgraded the brand and affected

future reservations significantly. Although the operative definitely deserved dismissal, the owner decided to give her a warning and a second chance.

### ***Questions and Activities***

1. Identify the problem and the causes that led to the incident.
2. How would you train people with different cultural backgrounds?
3. How would you have reacted as the hotel manager?
4. How would you have reacted as a hotel owner?
5. Would you dismiss the operative immediately or give her a second chance? Justify and explain your response.
6. Develop hotel room cleaning standards and prepare a draft plan for staff training, including how to address and communicate these standards to the staff?
7. How would you stimulate staff to be punctual and professional? Try to think of simple solutions that do not involve additional financial rewards besides wages.

### **(iii) Cooperation with Suppliers**

Cooperation between local suppliers and Hotel X is very important, but mistakes are inevitable. One day Hotel X ran out of toilet paper and the room service manager asked the manager to order some more. A local company with a distribution centre supplies most of the hotels in this city daily and, as Hotel X is a small hotel with limited storage space, it is essential to link orders closely with stock control and delivery times. On this occasion, there was a communication error. Hotel X needed eight packages of toilet paper but the company delivered eight pallets of toilet paper. The hotel staff were shocked when the delivery landed directly in front of the reception desk. The receptionist immediately called the manager. Firstly, he apologised to the on-looking guests for the inconvenience and then he asked the delivery company to take back the paper as soon as possible, leaving only the required amount.

### ***Questions and Activities***

1. Identify the problem and the causes that led to the incident.
2. Who was to blame for the incident?
3. Would you report this incident to a hotel owner as a hotel manager? If so, why and how?
4. How would you react if one of the guests took a picture to post on a social network?

5. Search on local websites for at least three potential suppliers of hotel commodities. Check whether they specify a minimum delivery time and compare the costs, including delivery for an identical small order.

#### **(iv) Crisis Management**

The installations of the facilities in Hotel X are old and there is a need for servicing or a repair almost daily. However, there are insufficient local companies specialised in emergency repairs to meet the demand. For example, when an air conditioner stopped working several times because of poor urban electricity supply and overloaded the electrical city system, there was only one authorised service agent in the town. The waiting time for such a busy contractor was several weeks so it was necessary to seek help from local people, who sometimes offer the only hope to fix things before the hotel guests begin to complain. The same situation occurs on a daily basis with plumbing, tiles, the gas and cooling systems and the Internet. The latter remains one of the biggest problems because Hotel X is dependent on the Internet for bookings, check-ins, check-outs and the issue of invoices.

#### ***Questions and Activities***

1. How would you manage such a situation when the external service company cannot undertake the repairs?
2. How would you implement crisis management in the above situation?
3. Prepare and present a crisis management plan for Hotel X.
4. Draw up a timeline plan for opening a seasonal hotel. Prepare a 'to-do' list of things that you can predict might be problematic in order to avoid challenges of Hotel X. Bear in mind the principles of crisis management.

#### **(v) The Escapees**

Problems with the guests are normal but the Hotel X had a big one in its first week of business. An elderly couple decided to spend seven nights in the best apartment at Hotel X and managed to escape without paying. Communication with them during their stay was great. Compliments for the kindness and hospitality were mutual but the last night of their stay was very surprising. The receptionist at the front desk noticed that they had not come down for breakfast and the check-out had already passed. She asked a member of the hotel staff to knock on the door several times but no one responded. After several attempts, the staff was able to open the room with the main key and realised that the couple had vanished.

Hotel X has a separate entrance/exit for guests arriving or departing after midnight; the hotel reception is closed from midnight to 6am but guests can still use their room cards to enter and leave the hotel at will and that is exactly what the elderly couple did! They did not return nor did they check out. They left during the night, emptied the entire mini-bar and took the glasses, towels and the television remote control too. The policy of Hotel X requires guests who have not checked in by midnight, without cancelling the reservation, to be charged by credit card which the guest leaves as a guarantee. The reception staff tried to bill the charges for the elderly couple to their credit card but it was rejected. It was clear that the couple left the hotel without any intention of paying but they could not be contacted by telephone or email.

The procedure for non-payment is to call the police and report the loss. The hotel manager was required to go to the police station, make a statement and sign the necessary papers. As the elderly couple were foreign citizens, the police contacted Interpol (international police) in an attempt to trace the couple. After several weeks, the couple were located and agreed to pay their debts in full.

### **Questions**

1. How might this incident have been prevented?
2. What procedures should be put in place to protect hotels from such incidents?
3. How would you ensure payment in such instances?
4. Should a hotel have a guest blacklist? Why? Why not?

### **Website**

Association of Employers in Croatian Hospitality. Further information available from: <http://www.upuhh.hr/en/about-us/> [accessed 3 January 2016].

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# Switzerland is More Expensive from the 15<sup>th</sup> January 2015

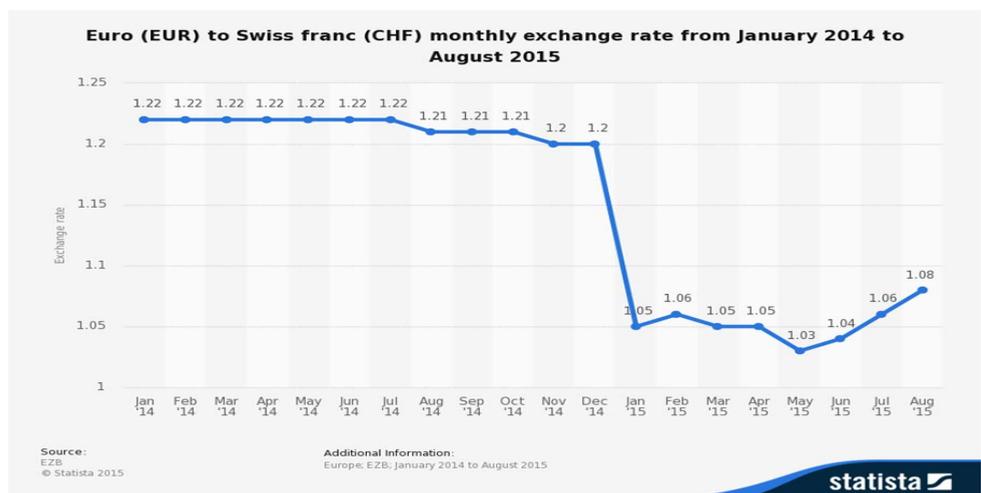
by Zuzana Kvitkova

This case study illustrates the influence of an external environmental factor on tourism and leads to a discussion about possible reactions of differing tourism participants.

Switzerland is a beautiful country and tourism has an important position in the economy. The total contribution of Travel and Tourism to GDP was 7.8 % of GDP in 2013. The travel and Tourism sector directly supported 143,500 jobs, which is 3.0% of total employment and the total contribution to employment, including jobs indirectly was 9.8 % (World Travel & Tourism Council, 2014).

The standard of living in Switzerland is one of the highest in Europe and the services are expensive and of high quality. As Switzerland is not part of the European Union (EU), nor The Monetary Union (cf. [http://www.singleglobalcurrency.org/monetary\\_unions.html](http://www.singleglobalcurrency.org/monetary_unions.html)), the exchange rate is important for inbound tourism. The Swiss National Bank (SNB) tried to intervene for over three years to fix the exchange rate to Euro on the level of 1.2 CHF (Swiss Francs) to 1 Euro.

**Chart 1 Movement of the Exchange Rate - CHF to Euros**



Source: [www.statista.com](http://www.statista.com)

On the January 15 2015, the SNB stopped its intervention and the Swiss franc almost immediately appreciated against the single European currency by nearly 30 per cent (See Chart 1). After several days the exchange rate stabilised with 1.05 CHFs equal to one Euro. The immediate impact was a massive price increase for foreign visitors. Swiss services for incoming tourists from EU were about 20% more expensive overnight. There is also expected to be a longer term impact on Swiss outbound and domestic tourism as foreign holidays are now relatively cheaper so some Swiss tourists might now prefer to spend their holidays abroad.

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## **Questions and Activities**

1. What analysis would you recommend to describe the external macro-environment of a company? Refer to <https://www.strategicmanagementinsight.com/tools/pest-pestel-analysis.html> [accessed 30 March 2016] and consider the application of these methods in the above context.
2. Based on the above response, identify the factor that the decision of the Swiss National Bank represents? How would you characterise the decision of the SNB to no longer hold the Swiss franc at a fixed exchange rate with the Euro?
3. What are the general implications for Swiss travel and tourism companies of SNB decision?
4. Locate the statistical sources that would enable you to determine the impact of this decision on Swiss inbound, national and outbound tourism. Comment on the status to date.

# **I'm Forever Blowing Bubbles: Dark Tourism and Sport**

**by Neil Robinson and Crispin Dale**

Dark tourism is a term used to describe the relationship between tourism attractions and an interest in death and the macabre (Foley and Lennon, 1996). The spectrum of dark sites (Stone, 2006) can range from dark fun factories such as the London Dungeons through to those associated with assassination, such as the Sixth Floor Museum in Dallas. The relationship between mortality and tourism can be extended to the final act of death itself. This could include travels to locations to observe public executions, or travels to places to end one's life such as Dignitas in Switzerland (Dale and Robinson 2011; Miller and Gonzalez, 2013). Dark tourism encompasses a range of contexts and situations but is generally considered to be associated with locations where death has occurred. The motivations for visiting such sites are complex and multi-faceted. Motivations for visiting dark sites may include the act of remembrance and commemoration through to thrill seeking and morbid curiosity (Robinson and Dale, 2011). Using the mobilities paradigm (Urry 2002; Hannam, 2009), Robinson and Dale (2011) have acknowledged the emotional connection that can be made between a location and where death has occurred. From a dark tourism perspective, this may be a means of understanding one's own mortality and the realisation of death, which has been described as a "mortality moment" where the visitor can consume the experience at a "safe distance" (Stone 2009; Stone, 2012).

Though literature has explored the connection between sport and tourism, this link with sport has not been investigated further within the context of dark tourism. Within the dark tourism literature, few sites that have a sporting connection are referred to, yet many examples exist. The following case illustrates one of these examples.

## **The Munich Air Disaster, 1958**

On the 6<sup>th</sup> February 1958 the Munich Air Disaster occurred. The flight contained the Manchester United football team and related passengers including management, trainers, journalists and the media. The flight was returning from a European Cup match with Belgrade in Yugoslavia but had stopped for refuelling in Munich before attempting to take off again.

Twenty three people died as a consequence of the crash. Due to the youth of the players, the team was known as the “Busby Babes”. A number of sites, that have an association with the disaster or Manchester United football club, have evolved in remembrance of the tragedy.

The physical artefacts and exhibits at the Manchester United Football Ground, Old Trafford include a plaque and the Munich Memorial clock. The clock is permanently stopped at 3.04pm, the time when the plane crash occurred. The tour guide is at pains to point out how urban myth and legend has developed over recent years and that the Busby Babes of 1958 were fated never to return home from this football event. This is displayed in the ‘MUNICH’ title on the clock, that some have commented upon stands for “Manchester United Never Come Home”.

Memorials are also located in Munich. They include a small wooden memorial depicting Jesus on the Cross, placed near the village of Trudering where the crash occurred and, more recently on the 22<sup>nd</sup> September 2004, a dark blue granite plaque set in a sandstone border was unveiled near the old Munich Airport. Locations which represent the actual home of players who lost their lives are also featured historically. One of the casualties of the flight, Eddie Coleman, the right-half for United is represented in Salford in street names, for example Eddie Coleman Close, and at Salford University one of the halls of residence, Coleman Court, is named after him.

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### ***Questions and Activities***

1. Explore other sites or memorials that are associated with the Munich air disaster. Where are they located and what is their purpose?
2. Do you know of any dark sites in your country which are associated with sporting disasters? Search for information then discuss in a group, or present in class, the information that you locate.
3. How best should any sporting disaster be commemorated?

# **Neutralising Workplace Bullying in the Hospitality Industry**

**by Matthew H. T. Yap, Elizabeth M. Ineson and Ioanna Karanikola**

Bullying in the workplace has spread to different industries globally (Samnani and Singh, 2012) and the global hospitality industry is no exception. The International Labour Organisation (2003) testifies that the hospitality industry is prone to workplace bullying (WB). This claim was further supported by empirical evidence found, for example, in Taiwan (Lin, 2006; Yap, Horner, Hsu and Tang, 2014), America (Lutgen-Sandvik, Tracy and Alberts, 2007), Turkey (Burke, Koyuncu and Fiksenbaum, 2008), New Zealand (Bentley et al., 2012), the United Kingdom (Ineson, Yap and Whiting, 2013), Macau (Wong and Lam, 2013; Yap, Tang and Karanikola, 2015) and Switzerland (Yap and Ineson, 2016). However, research on WB is ongoing as it is an unethical workplace behaviour (Fraedrich, Ferrell and Ferrell, 2013) that is exhibited via the perpetrator's complex psychological illness that implicates multiple disciplines (Einarsen, Hoel, Zapf and Cooper, 2011). Hence, WB is explained as an individual, or a group of stakeholder's (employee, supplier, customer or investor) persistent, conscious or unconscious, hostile aggressive and harmful activities to paralyse other stakeholders, in their workplaces, with negative psychological and/or physical health outcomes (Branch, Murray and Ramsay, 2012). In summary: "WB broadly includes any unwelcome verbal, non-verbal and/or physical harassment, discernment and violent behaviour that can be expressed via unjustified criticisms, excessive monitoring of performance, unfair work pressure, glass ceiling, and obstruction of victim's work" (Yap, 2015, p.20).

Needless to say, WB is bad for the perpetrators, the victims, all stakeholders and their organisations. Perpetrators' successive bullying without intervention can be addictive and worsen their mental illnesses, while their victims may suffer long term anxiety and depression, irritability and mood swings, feelings of depression and helplessness, paranoia and burnout, social isolation, lower self-esteem and/or low job satisfaction, leading to self-inflicted physical harm and possibly suicide (Hay, Meldrum and Mann, 2010; Samnani and Singh, 2012; Galanaki and Papalexandris, 2013; Power et al., 2013). Furthermore, organisations with WB problems may experience loss of productivity, customers and profit, increase labour turnover,

absenteeism and associated costs, lower employees' engagement and commitment, and a poor quality work environment (Samnani and Singh, 2012; Galanaki and Papalexandris, 2013; Power et al., 2013). As such, WB urgently needs to be addressed and neutralised for the benefit of all stakeholders and their organisations. The following case depicts WB issues in the hospitality workplace and seeks comprehensive methods to neutralise them.

Linda is an American born Chinese. She has been working for an international luxury hotel chain in America for more than 15 years. Due to her Chinese ethnic background and her Asian (Cantonese and Mandarin) language abilities, she was posted to Macau as the Vice President of Talent Acquisition and Management to open a new luxury hotel within an integrated resort. Linda has never lived or worked outside of America. However, she had travelled to Hong Kong a couple of times to visit her relatives. Hence, she is no stranger to the Far East. Moreover, she recognises that Macau's culture is rather similar to that of Hong Kong due to the geographical proximity of the two Chinese territories. She planned to read about the cultural dimensions of China, Hong Kong and Macau, in order to better understand the people and their societies.

When Linda arrived in Macau, she was astonished by the number and size of the integrated resorts. Integrated resorts are commercial venues that have a themed environment, which aim to satisfy the leisure and happiness of tourists, through the provision of many services and infrastructure (Wong, 2008). The integrated resort where her hotel was located was modern, sophisticated and comprehensively included: entertainment and gaming facilities; wellness and spa treatments; a wide choice of food and beverage outlets; hotel accommodation of different categories; retail outlets; and events and exhibition space. She found out that this integrated resort employed more than 15,000 employees and her new hotel planned to hire 1,000 employees in addition. Although her hotel would be managed independently, Linda suspected her employees would need to work closely with all the outlets in the integrated resort. In order to better understand the integrated resort, Linda took a week to visit all the facilities and outlets. During her visits, she witnessed a few bullying incidents.

She visited one of the biggest retail shops selling apparel and she introduced herself to the shop manager, Maggie. After a quick chat, Linda learnt that Maggie used an autocratic leadership style to manage her employees because Maggie saw all her employees as inexperienced and not as effective or experienced as she was. Linda proceeded to talk to one

of the female line employees and found out that the line employees had difficulty in getting promotion in this company as promotion was mostly based on seniority and not meritocracy. The line employee mentioned that Maggie did not believe that her employees were qualified for, or deserved, promotion; she often employed the glass ceiling concept to prevent her employees from getting promotion. Linda could sense that the employees working in this retail shop were unhappy.

Later, Linda had lunch at a food and beverage outlet and she observed that there was insufficient manpower to meet the demand during busy lunch hours. She found out from the restaurant manager, Jim, that Macau's government limited the quota of foreign workers in Macau in the hope of protecting the job market for the locals. Hence, Macau's food and beverage industry was challenged with insufficient qualified manpower. Jim also told Linda that he was often in dispute with his local employees because they threatened to leave their jobs if they could not get their preferred work shifts. Jim remarked that being a manager in Macau was challenging. Linda sympathised deeply with the restaurant manager and his plight.

On another occasion, Linda visited the casinos and saw that most of the customers were from Asia; Chinese from mainland China were the biggest group followed by some South Koreans, Taiwanese and Japanese. She also noticed that gamblers from mainland China were loud, rowdy and vulgar in comparison with the other Asians, who were more refined with better behaviour. She saw one young female member of the service staff being verbally harassed by several Chinese male gamblers on the mass market gaming floor, while another young male casino dealer was verbally abused and pushed by a male 'High Roller' in a private gaming room. However, Linda did not see the presence of any manager to resolve this abuse.

Linda was on her way to her office and she heard a female manager disciplining her female subordinate loudly. The female manager was reprimanding her subordinate for not learning quickly enough and for often making stupid mistakes in her job. While reprimanding, the female manager was using her finger to push the head of the female subordinate. The female subordinate was in tears and dared not speak up but lowered her head to accept the scolding. Overall, the disciplinary scene was humiliating for the female subordinate. Linda was pondering on a more civilised way to train and educate employees than the treatment she witnessed.

After Linda's visit, she felt pessimistic as she recognised that WB was deeply embedded in the integrated resort, possibly due to cultural differences. Moreover, weak leadership and lack of talent management had worsened the situation. Despite the new work environment, Linda was determined to face the challenges and create a bully free workplace for her hotel.

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### ***Questions and Activities***

1. Identify all the bullying incidents in the case and discuss the causes and consequences.
2. Advise Linda on how she might neutralise each of the bullying incidents.
3. Assist Linda in developing a comprehensive anti-bullying policy.
4. Assist Linda in developing a comprehensive education and training programme to combat WB.

# **Business Case of Emotional Intelligence at the Workplace**

**by Wolf Magnus Gerstkamp and Detlev Remy**

The importance of emotional intelligence (EI) and the leadership style of senior management and executives has been identified in many researches as a contributor to overall employee motivation, positive work attitudes, employee behavior and overall performance of an organisation (for example, Carmeli, 2003; Rosete and Ciarrochi, 2005; Sy, Tram and O'Hara, 2006). The following case provides an example of the relationship between the EI level of an executive leader and employee relations in an organisation.

Henry and David arrived at the Baltic Sea Hotel after a long and stressful journey, and with a delay of one day due to flight connection issues. Both were exhausted and were glad to be checking in soon and to refresh themselves in their room. At the check-in desk, the receptionist asked for their names and after checking the computer he said: "I am sorry; I cannot find your names in the system. We do not have a reservation with either of your names". Perplexed, Henry said: "This must be a mistake, can you please check again, or just give us any room". The receptionist replied very directly and harshly that he had checked properly and that the hotel was fully booked so they should try another hotel. David said: "Why, when we contacted you last night to inform you that we were delayed, did you not hold the reservation?" The receptionist answered immediately: "You should have told me that you were supposed to arrive yesterday, otherwise I cannot find your reservation. Here it is!"

After some more discussions with the receptionist, both guests finally went to the room. On arrival in the room, David noticed that the work desk was extremely small. He went down to the reception to ask if there were any rooms available with a larger working desk, since the hotel was recommended for business travellers. The receptionist's response was quite stumpy: "This is not my problem; you should have informed yourself better about the hotel's facilities before booking the room". David asked the front office manager to book him a meeting with the General Manager, Mr Kornis, for the next day. Building relationships, friendliness and offering solutions to problems should be offered to guests (Mullins and Christy, 2013), especially in a hospitality environment.

The following morning David and Henry went down for breakfast. No-one seemed to notice their arrival at the restaurant; as they were ignored, they eventually decided to sit at an empty table. After some time, a breakfast service provider came to the table and looked at both of them without saying a word. David ordered two coffees, and the server just walked away in silence. After some time, she came back with two coffees and David looked at Henry and said: “It worked – we received our coffee”.

During the breakfast, Mr Kornis arrived at their table, introduced himself and asked what the problems were. David and Henry, who were still angry and tensed from yesterday’s experiences at check-in and the current lousy service, started to talk in a very direct way, but very professionally. Mr Kornis interrupted them in the middle of a sentence and said in an unfriendly way: “You are so aggressive – I am just here to help you”. David and Henry continued to explain to him the problems they had faced and also commented that, so far, all the staff they had encountered were very unfriendly and partially rude. Mr Kornis just responded: “You are in Eastern Europe – people are like this here. You have to understand this culture and except this culture”. David and Henry were quite surprised by this comment, since so far all people from arriving with the plane until arriving in this hotel had been very welcoming and warm.

A few days later, David and Henry had finished their business meetings and they were enjoying some free time sightseeing in the city. However, their experiences in the hotel remained the same - unfriendly personnel at the reception and lobby bar and uninterested service staff during the breakfast and dinner. David and Henry were already getting used to this attitude and they tried to make the best of it.

The next morning, after breakfast, Henry and David were about to collect their documents from the room for their lunchtime meeting and suddenly the fire alarm rang. When they arrived at the elevators next to the reception desk in the lobby area, the Head of Security said: “Wait! You cannot take the lift to your room. We have a fire alarm. You must take the stairs up to your room.” Henry and David thought: “Perfect – our room is on the 10<sup>th</sup> floor...” Just as they approached the staircase, David and Henry saw Mr Kornis. He was moving towards the Head of Security and he started to shout at him: “You must not send guests to the staircase to walk up to their rooms. This is a fire alarm. I dismiss you for these comments immediately”.

David and Henry were shocked by this reaction: A General Manager was shouting at an employee in the middle of the lobby, in front of guests and other employees. How intimidating this must be for the employees, they thought. However, they began to understand why the vast majority of the employees in the Baltic Hotel had been unfriendly, arguing with the guests and were just uninterested and demotivated – the leader of the hotel forms the team and sets the direction, and if the leader displays rude and unfriendly behaviour towards employees, they might mirror this behaviour and take out their frustrations on the guests. Considering this case, taking account of desirable competences in executives and the direct impact of EI on overall work satisfaction, parallels may be drawn (cf. Boyatzis, Goleman and Rhee, 2000; Carmeli 2003).

### ***Questions and Activities***

First examine the pertinent issues based on the recommended reading below then:

1. Determine and critically evaluate all the relevant elements of leadership and EI, which impact on the above case.
2. Reflect on the application of the EI Competence Model to the case then analyse the level of EI of Mr Kornis.
3. Make practical recommendations for improving guest service in Hotel Baltic from the perspective of the employees and Mr Kornis? Discuss.
4. Which leadership style is Mr Kornis applying?

### **Recommended Reading**

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## Thankfully *Big Brother* was Watching that Day: The Europa Hotel, Belfast – the world’s most bombed hotel

by Robert A. Clark

*“The so-called warnings that accompanied the bomb were consistent with an attempt by the Provisional IRA to cause massive loss of life” (Trimble, 1993).*

David Trimble was the First Minister of Northern Ireland from 1998 to 2002. The presence of Closed-Circuit Television (CCTV) has become a way of life in today’s developed world - an evolution that is justified by some very strong arguments. There are those who would reason that it has become a necessary evil in modern society while others believe that CCTV is becoming ever more intrusive.

In the United Kingdom (UK), in 2011 the Daily Mail newspaper claimed that there is one camera for every 32 of the country’s inhabitants. Moreover, on average, every member of the UK population is recorded going about his or her business more than 300 times a day. While many cameras have been positioned in streets and public places, the vast majority are controlled within the private sector and have been placed both on the outside and inside of commercial buildings such as shops and in the workplace (Mail Online, 2011). While there are inevitably some who find the reality of an Orwellian Big Brother state watching their every move an unpalatable situation, arguably for honest citizens, CCTV’s advantages far outweigh its disadvantages. Moreover, for businesses it can provide a diverse range of benefits such as an improved level of deterrence, better access controls, heightened security capability, safer working environments, enhanced detection, fraudulent insurance claim reduction, discouragement of anti-social behaviour, remote monitoring (even using a smartphone) and reduced probability and fear of crime (AIS Security, 2016). For some business continuity risks, CCTV can offer mitigation measures which address a number of security related threat scenarios.

Note: Some of the detail in this case is based on primary data sources provided via interviews with Martin Mulholland, Concierge at the Europa Hotel, Belfast and Mike Nesbitt, who was elected Leader of the Ulster Unionist Party in 2012.

If ever the value of CCTV needed reinforcing, Martin Mulholland, had no hesitation singing its praises. It is quite probable that his life, and those of other hotel members of staff along with its guests, were saved by CCTV. Positioning the status and prominence of the hotel, as Mulholland (2012) put it: “we regularly have lots of big name celebrities staying at the Europa but none bigger than Bill Clinton who was a guest in 1995”. However, during the Northern Ireland Troubles (referred to subsequently as “The Troubles”), the only regular guests tended to be journalists and news reporters covering the frequent terrorist events occurring in the Province. Mulholland (2012) re-enforced this fact by saying: “Tourism just died during The Troubles. No-one came to Belfast unless they absolutely had to”.

The Europa earned itself the very unenviable distinction of becoming the world’s most bombed hotel having been damaged on more than 30 instances during The Troubles. Sometimes it was directly targeted as it was seen as a prestigious icon of the very establishment that the Irish Republican Army (IRA) was struggling against. On other occasions Belfast’s Flagship hotel suffered collateral damage; even so, amazingly, it managed to remain open for more than two decades despite the constant disruption while other large international hotel chains had long since abandoned the City. “The use of hardboard as a temporary substitute for shattered glass led to the Europa Hotel being known as the hardboard hotel” (O’Hara, 2011).

Mulholland (2012) recalled the occasion in 1993 when a sharp-eyed security guard monitoring the hotel’s CCTV almost certainly prevented many staff and residents being critically injured or killed. The guard raised the alarm after spotting two men running away from a lorry they had abandoned in Glengall Street, located between the hotel and the adjacent opera house. A trainee hotel concierge climbed onto the back of the lorry and pulled the tarpaulin off the rubbish skip that it was transporting only to reveal a 500 kilogram Vehicle Borne Improvised Explosive Device (VBIED). This occasion was by no means the first or the last time that the IRA used a VBIED as its means of attack. Moreover, it is a modus operandi that has been frequently selected by al Qaeda against numerous targets around the world including in the UK and USA.

By today’s standards, the quality and sophistication of the CCTV available in 1993 was fairly primitive and, without constant labour intensive monitoring by security personnel, it certainly would not have prevented an atrocity from occurring. The vigilance of the security guard was commendable as was the bravery of the trainee concierge. Their actions enabled the hotel to be

evacuated before the VBIED detonated and the subsequent injuries sustained were light while fatalities were completely avoided. Without doubt, this feat was aided by the hotel's well-rehearsed evacuation procedure, which almost certainly expedited the successful exodus of staff and guests from the building. In support of this procedure, each room had a notice, displayed prominently, warning guests of the possible need for a rapid evacuation in the event of a bomb threat. Some of the hotel's regular journalist guests became well-versed with these evacuation drills. In fact, one guest, former Independent Television News (ITN) journalist and now best-selling author Gerald Seymour was evacuated on no fewer than 18 separate occasions.

Although it caused extensive structural damage to the hotel and surrounding buildings, the fact that there were no serious injuries supports the claim that CCTV also offers improved staff protection. On this occasion, the Europa was forced to close for extensive repairs and it was six months before the hotel reopened even though the repair work had not been fully completed. Mulholland (2012) remarked that, such was the damage from where his desk had been previously situated, he had an uninterrupted view through the hotel restaurant, right across Glengall Street and onto the opera house's stage.

The IRA had previously quite audaciously walked into the hotel's reception area and left Improvised Explosive Devices (IEDs). One had been delivered in a box with IRA written on the side which made the situation almost farcical. This particular IED took the British Army bomb disposal experts around nine hours to disarm (Dunbar, 2011). Consequently, to act as a deterrent, the main entrance to the building was fenced off and a security check point established through which all visitors had to pass. However, the side of the building was still vulnerable to VBIED's, as just a pavement's width separated it from Glengall Street making the implementation of effective hostile vehicle mitigation (HVM) measures simply not a viable option. It had been a shrewd decision to install CCTV to cover what was otherwise a security blind spot.

Possibly the greatest beneficiaries of the Europa's plight were the local glaziers who were almost constantly meeting the demand of supplying and fitting replacement windows. Some of them even got into the habit of cutting glass for the hotel even before attacks in order to be ready to respond quickly when the inevitable call came. Guests were advised to keep their curtains closed to reduce the risk of flying glass in the event of an explosion in the vicinity.

Remarkably no-one was ever killed at the Europa although its first General Manager, the late Harper Brown, is understood to have been on an IRA hit list.

The Leader of the Ulster Unionist Party, Mike Nesbitt, had extensive and multi-faceted experience of The Troubles. First when his father's linen business was fired bombed and destroyed by the IRA in the early 1970s and then his exposure continued when he went onto present the BBC's "Good Morning Ulster" radio programme, and later when he became a broadcaster for Ulster Television. Both radio and TV featured regularly the terrorists' activity along with the various barbarities committed. Finally, before embarking on a political career, Nesbitt was appointed as a "Commissioner for victims and survivors of The Troubles," necessitating contact with the people from both Loyalist and Republican sides of the terrorist divide. After being elected as the member of the Northern Ireland Assembly for Strangford in 2011, he was appointed as the leader of Ulster Unionist Party in March 2012 (Ulster Unionist Party, 2012).

Nesbitt also covered stories concerning IRA "Fundraising" which was a local euphemism for bank robberies and protection rackets. If businesses refused to pay, it was highly probable they would be targeted. Some found themselves paying protection money to both IRA and Loyalist Paramilitary groups. As a broadcaster, reporting on The Troubles was a daily event. Nesbitt endeavoured to bring appropriate people around the table to debate terrorist activities, which invariably featured bombings, murders and kidnappings. These debates never had a shortage of volunteers from politicians, priests or friends and neighbours of individual victims, but Nesbitt struggled continually to encourage businessmen to engage. Reflecting on the Europa Hotel, he said: "The Europa Hotel was seen as an economic icon of resistance against the IRA. It was resistance versus persistence" (Nesbitt, 2012).

The IRA considered anything that aided the economy as targets and especially businesses that worked for or supplied the police and armed forces. Consequently, intimidated businesses often failed to share success stories or expansion plans to avoid drawing attention to the company. Here the Europa broke the mould as it continued to maintain its high profile throughout the province. In fact, the Northern Ireland Tourist Board saw the hotel as the jewel in the crown vis-à-vis its post-troubles strategy. This made the continued success of the Europa not just economic but also political (Dunbar, 2011).

Nesbitt's round table debates occasionally discussed businessmen who "had stepped out of line" and incurred the terrorists' wrath. One such debate he recalled, although retrospective, concerned the 1977 murder of Jeffrey Agate, Managing Director of Du Pont, who was shot outside the Londonderry factory. A second involved the 1985 murder of Seamus McAvoy in Dublin for supplying the RUC with portable buildings. Although a close friend of Europa General Manager Harper Brown, and the father of one of the hotel's employees, was murdered by the IRA, Brown was never confronted directly despite his being a target.

Obtaining investment became more difficult as The Troubles continued. Nesbitt (2012) said that local investors were warned-off and few were prepared to suffer the consequences; some people who ignored the warnings were murdered. Moreover, encouraging overseas investors to take a risk on what some had long since regarded as a war zone was virtually impossible. Consequently, it was a brave move by Hastings Group Chairman, Billy Hastings, to invest in the hotel devastated by the 1993 bombing and turn it into the opulent and impressive hotel that has become.

### **Conclusion**

After the 1984 bombing of the Grand Hotel in Brighton which targeted the then Prime Minister Margaret Thatcher and her cabinet members, an IRA statement said "you need to be lucky all the time, we only need to be lucky once!" and so it was on the 20<sup>th</sup> May 1993, the Europa Hotel's luck finally ran out. After defying the terrorists for two decades, the Europa Hotel finally had to close its doors in 1993 for six months while restoration work was undertaken. The final reconstruction bill came to circa £8 million sterling. Although a coded warning was issued by the IRA, it was considered ambiguous and it certainly did not identify the Europa Hotel as the target. As a society we must assume that terrorism is with us for the long-haul and we cannot depend upon being warned of an imminent attack. Indeed, as terrorists around the world become more sophisticated and determined in conducting their heinous activities, warnings appear to have become a thing of the past.

Nesbitt and Mulholland both witnessed tourism in the Provence driven away by The Troubles while the Europa Hotel's security costs rose in response to the terrorist threat with the installation of a partial HVM solution covering the main entrance and CCTV. Perhaps the last word – a rather dismal word of warning should be left to Richard English: "One of the

depressing lessons from the history of terrorism is that it is always likely to be with us" (English, 2009, p. 120).

**Table 1 Glossary of Terminology**

<b>CCTV</b>	Closed circuit television (Abbreviations, 2016)
<b>HVM</b>	Hostile Vehicle Mitigation (CPNI, 2016)
<b>IED</b>	Improvised explosive device (Global Security, 2016b)
<b>Orwellian</b>	Originates from the George Orwell novel '1984' in which he describes a society of constant and total surveillance which coined the phrase "Big Brother is watching" (Jordison, 2011)
<b>Provisional IRA or IRA</b>	Irish Republican Army is a paramilitary organisation whose specific aim is to remove Northern Ireland from the UK and create a united Ireland (BBC News, 2009)
<b>RUC</b>	Royal Ulster Constabulary (Encyclopaedia Britannica, 2016)
<b>The Troubles</b>	The conflict in Northern Ireland that ran from 1968 to 1998 is often referred to as The Troubles. More than 3,600 people were killed and thousands more injured during this period (BBC History, 2016).
<b>VBIED</b>	Vehicle borne improvised explosive device (Global Security, 2016a)

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### **Questions and Activities**

1. The Europa Hotel was damaged by bombs on more than 30 separate occasions. Apart from using to using a bomb to target a hotel or a tourist attraction, what other means of attack do you believe terrorists could direct against the industry? What mitigation and/or contingency measures you believe could be put in place to counteract such attacks.
2. In addition to terrorism, what other factors have the potential to damage tourism consumer confidence and discourage tourists from visiting location, country or even an entire region?
3. Considering question 2, research some global examples that support the conclusions that you have reached in answering that question.

4. List a series of guidelines and procedures for guests, employees and managers in a hotel to follow in the case of witnessing: (i) suspicious behaviour; and (ii) a serious terrorist incident.

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## **Educational Tourism: What factors might influence students' decisions to study abroad?**

by **Andrea Szőke**

Travelling for learning and education is not a concept of the 20th and the 21st centuries. “Travelling in search of either academic qualifications or broad general learning and observation predates our times by several centuries” (Ritchie, Carr and Cooper, 2003, p. xvi). The Grand Tour undertaken by scholars and young British aristocrats in the 18th and 19th century was seen as the beginning of cultural and educational tourism (French, Craig-Smith and Collier, 2000). Visiting continental universities and other aristocrats, accompanied by an entourage of tutors and servants, was commonplace during the 18th and 19th century. The purpose behind it was to teach and civilise participants; they were taught foreign languages, dancing, fencing, riding and foreign affairs (Ritchie et al., 2003).

An educational tourist has been defined as “a person who is away from their home town or country overnight, where education and learning are either the main reason for their trip or where education and learning are secondary reasons but are perceived as an important way of using leisure time” (Ritchie et al., 2003, p. 18). “Therefore educational tourism can be defined as: tourist activity undertaken by those who are undertaking an overnight vacation and those who are undertaking an excursion for whom education and learning is a primary or secondary part of their trip.” (Ritchie et al., 2003, p. 18). However, “travel for educational purposes can be a diverse and complicated area of study” (Ritchie et al., 2003, p. 5). They continued to argue that the educational tourism market was segmented. The ‘tourism first’ approach perceives travel as the primary motivator whilst purposeful learning is secondary. In contrast, the ‘education first’ approach puts forward purposeful learning as the primary motivator. Even though individuals in this second segment may not view themselves as tourists, they experience tourist impact and regional development implications (Ritchie et al., 2003).

In 2014, The International Association of Universities (IAU) noted that institutions around the world are focusing on internationalisation. For the IAU 4th Global Survey Report they invited 6,879 higher education institutions to respond to an electronic questionnaire, and received responses from 1,336 institutions located in 131 countries around the world. Over half of the

1,336 higher education institutions reported that they have an internationalisation policy/strategy, and 22 % responded that one is under preparation (Egron-Polak and Hudson, 2014). The number of international students in higher education rose from 800,000 in the mid-1970s to over 3.5 million in 2009 (British Council, 2012). Increasingly, institutions around the world have launched their programmes in English, because “only the English-speaking higher education programs can be considered to be directly exposed to global competition” (Maggi and Padurean, 2009, p. 51). In turn, international students primarily decide to study in English-speaking countries, so Australia, the United Kingdom (UK) and the United States of America (USA) together hosted 36% of all foreign students in higher education (OECD, 2013). The Open Doors Report 2015 on International Education Exchange reported that the number of American students studying abroad grew by five per cent in the last academic year (2013/2014) and it was reported that the USA hosted almost a million of the world’s 4.5 million globally mobile college and university students, almost double the number hosted by the UK (Institute of International Education, 2015).

Regarding the geographical focus for internationalisation, Europe has had a strong attraction for students from most regions (Egron-Polak and Hudson, 2014). In 2004, the main directional flows of European students were from east to west and south to north, and the most popular countries hosting the large numbers of international students were Germany and France in addition to the three countries mentioned above (King, Findlay and Ahrens, 2010).

In the European Union, the European Region Action Scheme for the Mobility of University Students (Erasmus) organised exchange programmes between 1987-2013, aimed to encourage and support academic mobility of higher education students and teachers. In 2013 the Erasmus programme was replaced by a new programme Erasmus+ (<http://ec.europa.eu/programmes/erasmus-plus/>), which is planned to run until 2020, and will provide opportunities for Europeans to study, train, gain work experience and volunteer abroad. Around two million higher education students are expected to take part in Erasmus+ during the 2014–20 period (Eurostat, 2015).

The increasing number of students studying abroad caused a strong competition among universities and colleges around the world, because a certain number of benefits are associated with educational tourism. Not only can the international students benefit from their study abroad experiences, but the host countries and also the institutions can benefit from their

presence. The international students contribute not only to the institution's revenue with their tuition fees but also to the host country's overall economy in living expenses and related costs (Institute of International Education, 2015).

Therefore, international student mobility and educational tourism have become an important research topic and there are specific studies exploring the reasons why and how students choose a destination to study abroad (for example, Mazzarol and Soutar, 2002; Lam, Ariffin and Ahmad, 2011; Wilkins et al., 2012; Abubakar, Shneikat and Oday, 2014; Lesjak, Juvan, Ineson, Yap and Podovšovnik, 2015). The publications describe the potential push and pull factors that can influence students' selection of a host country. The push and pull factors were originally developed by Lee (1966) to explain the factors influencing the movements of migrants but the 'push-pull' concept has become a common tool to understand international students' motivation and decision to study abroad (Wilkins et al., 2012).

Push factors operate within the home country and may initiate students' decisions to study abroad. Pull factors operate within the host country to make that country attractive for foreign students. "Some of these factors are inherent in the source country, some in the host country and others in the students themselves" (Mazzarol and Soutar, 2002, p. 82). Many factors can influence students' decisions to study abroad, for example, a lack of access to higher education, historical or colonial links between host and home countries, the availability of academic programmes, the geographic proximity of the home and host countries, quality of education in the home and host countries, the relative wealth of the home country population etc. (Mazzarol and Soutar, 2002). They noted three distinct stages in the decision process through which the international students move when selecting a study destination. In stage one, the student must make a decision to study abroad rather than in the home country. Stage two includes the selection of a host country, and finally, in stage three, the student selects an institution. While in stage one the decision can be influenced by push factors, in stage two pull factors are important.

Mazzarol and Soutar (2002) emphasised the "quality of reputation" as the most important factor influencing student's decision to choose a destination. Lam et al. (2011) found that the most important push factor for students to study abroad was "job prospect" and the main pull factor was "academic and research quality of the institution". Abubakar et al. (2014) did not exactly distinguish between push and pull factors but they have similar results. The most

mentioned factors in their survey responses were “future job prospects” and “quality of education”. Lesjak et al. (2015) concluded that, initially, Erasmus student mobility in Europe was driven by a desire to grow personally and professionally and that destination choice was influenced by its general and touristic factors. In turn, both mobility and destination choice were dependent on the students’ personal and situational characteristics.

Nowadays not only students from Eastern European countries decide to study abroad, for example via the Erasmus+ programme, but also Western European and Asian students come to Eastern Europe to study. There is a strong competition to attract foreign students among universities and colleges in the Eastern European region and also within each country. Increasing numbers of higher educational institutions in the region are launching academic programmes in English in order to grow their market share and so gain a competitive advantage. However, the majority face several challenges in promoting themselves. In order to attract more international students to their institutions it is important for stakeholders to understand the decision-making process of international students to enable the students to make informed decisions.

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### Website

<http://ec.europa.eu/programmes/erasmus-plus/>

### Questions and Activities

1. Rank the factors below according to their importance to you in the decision-making process if you were planning to study abroad. Explain your ranking.
  - Study destination’s proximity to your home country
  - Study destination is easily accessible
  - Get away from your home country
  - Cultural dimension of study destination
  - Familiar language spoken in study destination
  - Unfamiliar language spoken in study destination
  - New personal experiences in study destination
  - Difficulty getting admission into a home university

- Ease of getting admission to host university
  - Friends going to or living in study destination
  - Course taught in English (or another foreign language)
  - Friendliness of academic staff in study destination
  - Future job prospects
  - Lower living costs in the host country
  - High qualifications of the academic staff in the proposed study destination
  - High quality of education in the host country
  - Recommendations from friends and relatives
  - Reputation of proposed study institution
  - Low tuition fees in the host country
  - Interesting night life in the study destination
  - Study destination is a popular tourism resort
  - New contacts in field of studies
  - Improve academic knowledge
  - Safe and secure study destination
  - High standard of living in study destination
  - Remoteness of study destination
  - Experience a different educational system
  - Study destination is sustainable and ecological
  - Study destination is rich in natural attractions
  - Study destination is rich in culture, arts and history
  - Study destination offers a variety of events
  - Study destination is yet to be discovered by tourists
2. Group the factors above into two categories: push factors and pull factors, and explain your method and reasons for classification.
  3. Search on your institution's website for information about programmes that recruit students who do not speak the native language and describe the courses offered for them.
  4. Identify and comment on the pull factors you found in these programmes.

5. In your opinion, what are the three most important push and pull factors for students in your country to study abroad? (You may choose from the categories above but also may mention other factors.) Justify your response.
6. Why might institutions offering educational programmes in English have an advantage over other institutions in the international higher education market?



## Part 2ii

### Further Revealed Case Studies



## Development of Gastronomy Tours

by **Kateryna Fedosova and Anastasia Sorokina**

Gastronomy (culinary, food) tourism is an experience in which a person learns about, appreciates or consumes branded local culinary resources. The term “culinary tourism” was first used by Long in 1998 (Wolf, 2002). She later stated that “culinary tourism is about food as a subject and medium, destination and vehicle, for tourism. It is about individuals exploring foods new to them as well as using food to explore new cultures and ways of being” (Long, 2004, p.20). According to Kivela and Crotts (2005), all definitions of gastronomy tourism have two common points: (i) people travel for the purpose of tasting the food and beverages of a region; and (ii) determination to have unique, distinctive and memorable experiences. Santich (2004, p.18), however, had remarked that the centre of gastronomy is not the food and drink itself, but the "how, where, when and why of eating and drinking".

The national cuisine is one of the most important factors in attracting foreign tourists (for example, Parrott, Wilson and Murdoch, 2002; Ardabili, Rasouli, Daryani, Molaie and Sharegi, 2011; Meladze, 2015) since national features and traditions are preserved in the culinary arts of the people. For many tourists, the national cuisine is a very entertaining element of the visit. From our experience we concluded that tourists participating in gastronomy tours often are not interested in technology of the dishes preparation, but are more interested in hearing unusual facts about the culinary history of the region. The state of gastronomy tourism in different countries is significantly different as a result of their geography, climate, history and culture (Mak, Lumbers, Eves and Chang, 2012). The leaders in this segment of the tourist market are France, Italy, Switzerland, USA, China, Japan, and South Africa (Crotti and Misrahi, 2015).

Destination gastronomy in Asia is available year-round, any time of day and in any weather (Richards, 2002). Hong Kong's cuisine is famous for its exotic fusion of Eastern and Western flavours along with a variety of culinary delights (Kivela and Crotts, 2005). Singapore is considered a food capital of Asia (Florida, 2011). Major factors affecting Japanese food culture are geography, history, climate, and religion (Halvorsen,1998). Stewart, Bramble and Ziraldo

(2008) suggested supporting wine and culinary tourism in the Niagara region through strengthening of linkages across the border to increase tourism revenue both in the USA and Canada. They suggested increasing domestic awareness and, in order to attract one-time visitors to the region, to enhance service through training. In European countries, the image of France has always been related to food and wine. In Italy food policies and traditions give a high priority to freshness and allow consumers to control food to a much larger extent than in Denmark (Hjalager and Corigliano, 2000).

The term 'gastronomy (alternatively food or culinary) tourist' is applied usually to describe the relationship between the tourist and his/her food-related activities. Gastronomy tourists can be classified as one of four types in terms of their level of interest in local food (Mitchell and Hall, 2003): Gourmet tourists; Gastronomy and Cuisine tourists; Culinary tourists; or Rural/Urban tourists. In contrast, Hjalager (2003) offered a phenomenological model of culinary tourism experiences. This model of tourism and gastronomy lifestyles assigns gastronomy tourists' attitudes and preferences for food and beverage into one of four categories: (i) Recreational; (ii) Existential; (iii) Diversionary; and (iv) Experimental.

- (i) Recreational gastronomy tourists are: conservative; do not like foreign foods; and like eating together. Food-related entertainment is limited to watching without participation.
- (ii) Existential gastronomy tourists' food consumption does not only satisfy their hunger, but it means gaining knowledge about the local or regional cuisine and destination's culture. They prefer special restaurants "where only the locals eat", visit farms, participate in cooking classes, visit cheese makers and go fishing with professionals; they buy products to take home.
- (iii) Diversionary gastronomy tourists' food and beverage must come easily and there must be plenty of it; quantity is superior to 'haute cuisine'. They dislike exotic foods; eating and drinking is a way of getting together with friends and enjoying life.
- (iv) Experimental gastronomy tourists' food and wine styles form a part of their image and prestige; they seek out the smartest restaurants that offer chic service, try new ingredients and new ways of preparing food. Designer glass-ware, and cuisine devices are their souvenirs (Hjalager, 2003).

Smith and Xiao (2008) described a typology of culinary tourism resources. Their typology consists of *facilities*, *activities*, *events*, and *organisations*. *Facilities* are: wineries; breweries; farmers' markets; food stores; food-related museums; restaurants; land uses; wine and food routes; and gourmet trails. *Activities* are: attending cooking schools; participating in wine tastings; and reading

food literature. *Events* comprise shows highlighting food products and cooking equipment. *Organisations* include restaurant classification systems and associations of food professionals.

By analysing the elements and purpose of different types of gastronomy tours, the authors came to the conclusion that gastronomy tours may be divided into the following six groups:

1. Food Production Tours – visiting food (beverage) plants, factories.
2. Restaurant Tours – visiting restaurants with local food or any kind of themed restaurants (well-known; interesting concept; author’s cuisine; famous chefs.)
3. Educational Tours – master-classes, culinary schools.
4. Eco Tours – visiting villages with authentic local food, organic farms, local food producers.
5. Activity Tours – visiting gastronomic events, shows and festivals.
6. Combined Gastronomy Tours – tours that combine several kinds of the above tours.

The programme for an attractive gastronomy tour may be developed for any region or a city. Below is the sample itinerary for a combined gastronomy tour:

- Visits to 2-3 local restaurants; meeting with chefs; review of the interior design, menu and restaurant’s history.
- Excursion to the local food market. Introduction to the history of the market, identifying the most outstanding manufacturers with recommendations regarding the selection of products and specialties; purchase of products.
- Culinary master class from the chef of one of the restaurants in the city (or restaurant at the hotel). Preparation of the most famous local dishes (3-5 types).
- Tasting of prepared dishes; photo shooting.

Planning and executing such a tour requires a manager who takes care of all of the organisational matters, a local guide, who accompanies the tourists and describes the local cuisine, a driver who takes a group of the tourists from the restaurants to the market and back and a chef who carries out master classes. The optimal number of tourists for such a tour is 10-12 persons.

Excursions to local recommended restaurants are very advantageous for the restaurants, as the tour participants may come back later for dinner. The tours can be organised from any hotel as

an additional entertainment offer for the guests. Culinary master classes can be conducted directly in the restaurant in the hotel where all necessary equipment and the chef are available, so accumulating additional profit for the hotel, as well as attracting tourists.

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### ***Activities***

Work in a small group (3-5 is ideal)

1. Determine what type of gastronomy tourists you and your colleagues are.
2. Create a list of possible gastronomy destinations in your region.
3. Develop a combined gastronomy tour within your region based on a given scenario:
  - i. Prepare a list of restaurants to be visited;
  - ii. Choose a market for buying local products;
  - iii. Determine local dishes for cooking during the cooking classes; and
  - iv. Calculate the costs of such a tour.
4. Prepare a marketing strategy for your tour.
5. Present your findings to the appropriate management personnel.

## **Dishes in Authentic Hospitality Facilities and their Role in the Development of Tourism**

**by Bojana Kalenjuk and Dragan Tešanović**

Food represents an important tourism resource (Henderson, 2004). Many authors point out its physiological and hedonistic character as well. Regardless of motives of consumption, tourists spend one third of their money on food (Meler and Cerović, 2003). For this reason, food represents one of the important factors in the development of the tourism business (Burusnukul, Binkley and Sukalakamala, 2011). Noting the importance of food, tourism destinations offer and promote local and regional food. In this way, they promote their culture, history, ethnic diversity, beliefs and also the environment, climate and a number of other factors that make authentic tourist gastronomic identity (Kivela and Crofts, 2005; du Rand and Heath, 2006; Hashimoto and Telfer, 2006; Okumus, Okumus and McKercher, 2007, McKercher, Okumus and Okumus, 2008).

Authentic hospitality establishments are opening in Vojvodina (northern Serbia) on farms preserved from the period of Austro-Hungarian Empire, which are constructed and furnished as they were in the olden times. They are called “salaši” (in Hungarian, known as ‘szallas’). These adapted establishments attract a large number of domestic and foreign tourists assuming that local, traditional food, as old as the building, is offered.

Depending on the recipes from which the dishes are prepared, Tešanović, Vičić and Kalenjuk (2010) have classified them as: domestic/local or national/regional or international. Traditional dishes are an integral part of the cultural heritage, history, identity and lifestyle of inhabitants of a city, region or country (Trichopoulou, Soukara and Vasilopoulou, 2007; Costa, Vasilopoulou, Trichopoulou and Finglas, 2010); they are a marker of cultural identity (Chapman and Beagan, 2013), an indicator of the impact of a series of geographical factors such as climate, relief, environment et al (Kalenjuk, Tešanović, Škrinjar and Vuksanović, 2011).

National dishes represent sets of regional dishes that have been established over a wide area of a country (Tešanović et al., 2010). Throughout history various nations conquered foreign

territories and brought eating habits, culinary recipes, and sometimes their own cooks, but the dishes were made with ingredients from the conquered territory with the addition of the spices brought with them from their homelands. Locals adopted such dishes as their own, and passed them from generation to generation, and those dishes became their dishes (Tešanović, Kalenjuk and Blešić, 2009). International dishes are dishes that originate from world cuisines and are recognised globally as such.

Authors, who have dealt with the analysis of the importance of authentic food, have proved that tourists seek a unique experience through food (Quan and Wang, 2004; Kivela and Crofts, 2006; Henderson, 2009). World destinations offer to their visitors traditional and authentic products building unforgettable sensory experiences that reflect part of the culture of the visited location (Quan and Wang, 2004; Rand and Heath, 2006; Kivela and Crofts, 2009).

The case centres on the importance of food offering in a rural household that was adapted in 2013 as an authentic hospitality and tourism complex, in accordance with food safety regulations. However, after two years of successful business, attendance plummeted. Communicating with employees, you have learned that the guests were dissatisfied with the food offering, because they did not expect pizza, pasta and other internationally recognisable dishes and desserts on the local menu. Visitors came for the authentic atmosphere and authentic culinary experience of Vojvodina. An interview with the manager of the restaurant revealed that some guests had complained because they did not like the local food. He consulted the chef and they assumed that if they focused on international as opposed to authentic local dishes, all of the guests would be satisfied because those are dishes to which they are accustomed. This assumption proved to be incorrect.

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### ***Questions and Activities***

You are employed as a consultant to advise the manager on how to recover his market share.

1. What initial suggestions would you make and what longer-term strategy would you adopt?
2. Refer to the following websites to find examples of good practice ([www.jelensalas.com](http://www.jelensalas.com); [www.majkinsalas.rs](http://www.majkinsalas.rs); [www.salas137.rs](http://www.salas137.rs); [www.salasodsca.com](http://www.salasodsca.com)).
3. Write a report for the manager, explaining and justifying your decisions and recommendations.

# **Economic Impact of Cruise Tourism: Exploring Newfoundland**

**by Roselyne N. Okech**

## **Introduction**

Cruise tourism can be traced back to the beginning of the 1960s coinciding with the decline of transoceanic ship travel and the introduction of the first nonstop air travel between the United States of America and Europe (Brida and Zapata, 2010). The cruise tourism industry has been the fastest-growing segment of the global travel sector over the last two decades (Wild and Dearing, 2000), with an average annual growth rate of passengers equal to 7.4% within the 1990-2007 timeframe (Dowling, 2006; Brida, Pulina, Riaño, and Zapata-Aguirre, 2013); therefore, the cruise industry has attracted growing interest both from researchers and practitioners (Lemmetynen and Go, 2010; Hung and Petrick, 2011; Brida, Garrido; Jesús Such Devesa, 2012b). Despite the recent research in this industry, some gaps in literature still persist (Toh, Rivers and Ling, 2005). First, most studies have been predominantly focused on the Caribbean (Marti, 1991; Teye and Leclerc, 1998; Wilkinson, 1999; Andriotis and Agiomirgianakis, 2010), while only limited research has been conducted on other geographic markets (Dwyer and Forsyth, 1998; Gabe, Colleen and McConnon, 2006; Brida et al., 2013). Second, very few contributions have addressed the impact of cruise tourism on the local community, assuming a long-term perspective (Satta, Parola, Penco and Persico, 2015).

According to CLIA (2015), a record 23 million passengers are expected to sail in 2015, with 61 per cent of North American CLIA-certified travel agents reporting an increase in 2015 travel bookings over this time last year. Cruise lines are enticing travellers with nearly 1,000 ports of call in new, exotic locations, especially in the fast-growing Asian market. A growing body of academic literature is now developing on the emergence of cruising as a popular leisure activity (Cartwright and Baird, 1999; Douglas and Douglas, 2001; Gibson, 2006; Quartermaine and Peter, 2006; Holloway, Davidson and Humphreys, 2009; Hannafin and Sarna, 2010; Mancini, 2011; Ward, 2010; Bowen, Fidgeon and Page, 2014). In its effort to diversify its product, the cruise shipping industry has searched constantly for new geographical regions in which to cruise and new ports of call. Currently, the world's largest and most popular routes are located in just

seven regions of the world. These routes, according to Holloway et al., (2009), include: the Caribbean, Mexico, Canada and the USA; the Far East and Pacific Islands; the Baltic; Europe; West Africa and the Atlantic Islands; and the rest of the world (essentially the Middle East and Australasia).

### **Cruise Tourism in Corner Brook**

Corner Brook, located in Western Newfoundland, is a popular port of call for cruise ships following in the wake of the Vikings on a Transatlantic expedition. It is also a popular port of call for cruise ships travelling through the Gulf of St. Lawrence on a Canada New England itinerary. The area is steeped in history and the Bay of Islands was originally charted by Captain James Cook in 1767. There is a clear indication that cruise tourism indeed has a significant role to play in the economy of the city. In 2012, Corner Brook Port Corporation recently celebrated a record year for cruise visitation; with 15 cruise calls, and 26,811 passenger and 12,488 crew visits, the port surpassed its own previous best season, posted in 2007, by 30% ([www.cornerbrookport.com](http://www.cornerbrookport.com), 2012). The record-breaking season also represented the most cruise passengers and crew to visit a single port in Newfoundland and Labrador in one season.

Given these statistics and the increased number of visitation levels, there is a need to identify the challenges in terms of product offering in order to satisfy the growing demand of tourists in the city. This case study enables the evaluation of the importance of the Corner Brook Museum as one of the attractions at the port of call and examines the extent to which the local residents and other businesses are equipped to handle the large numbers of cruise ship visitors.

### **Case Study: Newfoundland Province**

The cruise industry in Corner Brook has fallen rapidly over the last three years. The total scheduled number of passenger arrivals to the port between 2012—2015 is as follows:

- a) 2012: 15 cruise lines, 25,608 passengers and 11,813 crew
- b) 2013: 13 cruise lines, 19,142 passengers and 8,873 crew
- c) 2014: 9 cruise lines, 9,844 passengers and 4,882 crew
- d) 2015: 11 cruise lines, 11,604 passengers and 5350 crew

Although these statistics total to 54,594 passengers and 25,568 crew over the initial three year period, clearly, there was a sharp decline in arrivals from 2013 to 2014, following the record

numbers in 2012. It is noted, however, that there was a cancellation on Wednesday 24 September, 2014 by Oceania (Regatta) which has further lowered the statistics for that year. In 2015 there was, however, an increase in the number of visitors and cruise lines compared with 2014.

Several factors could contribute to the decline, which needs to be addressed. Typically the cruise ship season starts as early as May and runs through the summer until end of October. In total, 15, 13 and then 9 different types of cruise line docked at the port from 2012-2014. Three new cruise lines were expected in 2015 but only two of them appeared. Between 2012 and 2014, the lowest number of simultaneous passenger and crew arrivals from an individual ship was 382 and 302 respectively; the highest number of passengers from one ship in that period was 3114 with 1200 crew (Corner Brook Port Corporation, 2012).

The key question remains: What has been the economic impact of the decline in the cruise ships on Corner Brook business and tourist attractions, of which the museum is one? From 2012-14, there were not any scheduled overnight stops for the cruise ships but there were two scheduled overnight stays in 2015, so increasing the potential source of revenue for businesses in the city. A positive correlation has been observed between the arriving number of passengers and crew and the visitor numbers in the local museum. Some visitors, who have not booked on any pre-scheduled tours, head for the museum directly from the ship while others visit on their way back to the ship. The latter group do not allow the museum staff sufficient time to explain and elaborate on the displays. Since most ships arrive at 0800 hrs. and leave at 1700 hrs., the first few hours of the ship docking is very critical in gauging the museum visitor numbers for the day. The tours of the museum costs \$5 for adults and \$3 for children. Guided tours are available and are well organised by the manager and a team of volunteers on hand if required. The museum is spread over three levels with various natural and cultural displays. There is a small cabinet with a few souvenirs for visitors to purchase.

## **Conclusion**

This case investigates the overall impact of cruise tourism on heritage attractions such as the museums and sets the pace for other literature on the topic, which has previously been neglected. The port corporation indicated a record high in 2012 ([www.cornerbrookport.com](http://www.cornerbrookport.com), 2012), when there were 15 cruise calls scheduled. However, when a call from Saga's Quest for Adventure booked for September 11 was cancelled due to Tropical Storm Leslie, Corner Brook

picked up an unscheduled call from the Emerald Princess. Such changes of plans may highlight discrepancies in the total number provided earlier in the report vis-à-vis the original scheduled calls. A study on the economic impact of the cruise traffic on the city provides further details regarding the indirect and direct economic impact of the cruise industry to the region, estimated to be approximately \$4 Million per annum. The port was prepared to receive 11,604 passengers and 5,350 crew, with two overnight stops in 2015, which it was predicted should have impacted positively on the revenue generation of local businesses (www.cornerbrookport.com, 2012).

These statistics indicate that cruise tourism can have a powerful impact on the local economy. Hence, it is of interest to determine the way in which the dollars spent by the visitors translate into economic benefits and empowerment of local businesses in Corner Brook, of which the museum is a key contender. Most of the economic impacts of cruises on ports of call are related to the tourists and their activities which include: transportation; tour operators; attractions; and souvenir shops. Other sectors related to tourism may not see significant gains. This is the case for hotels, restaurants (normally tourists return to the ship to eat food they have already paid for) and liquor stores (most ships do not permit purchases for consumption on board).

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### ***Questions and Activities***

1. To what extent does this case study help to carve out a niche to promote cruise tourism in this challenging environment?
2. What challenges might arise for other upcoming destinations in promoting cruise tourism based on this case study?
3. Research a popular cruise ship destination and plan your dream cruise trip then share your research with your group.
4. Prepare an advertisement promoting cruise tourism in a town or city with which you are familiar.

# Measuring Guest Satisfaction in Hotel Tetra

by Maja Uran Maravić, Gordana Ivankovič, Mateja Jerman and Tanja Planinc

## Introduction

In the hotel industry, the emphasis on quality differs from that in manufacturing industries (for example, Kandampully, Mok and Sparks, 2001; Kandampully, 2007; Uran, 2003). Furthermore, products are produced and consumed simultaneously, while in other industries, production and consumption are separated in time and space. For this reason, a high quality standard is hard to achieve. Another issue is the direct contact between employees and guests that inevitably leads to errors which can easily contribute to the possible collapse of the system. If it is accepted that these errors are inevitable, then the goal is to minimise them through an effective hotel quality system. The last, but crucial, step in the hotel quality system is guest feedback to determine their level of satisfaction with the hotel services. Service quality management theory provides a variety of solutions for designing a quality system, with emphasis on how to measure guest satisfaction with the hotel's services. Most academic instruments are very robust but impractical for everyday use.

The aim of this case is to consider and apply in a practical context different possibilities for the effective measurement of guest satisfaction. Rather than using robust academic research techniques, hotels can quickly and effectively get guest satisfaction information by using modern technologies. This case focuses only on introducing appropriate guest satisfaction methods and presents the results for the Tetra Hotel; it does not focus on any other elements of guest satisfaction feedback.

## Measuring Guest Satisfaction

Although implementation of a guest satisfaction system entails much more than choosing an appropriate measurement method, most academic research focuses on the methods and especially instruments to measure service quality and/or guest satisfaction. Service may be defined simply as every interaction between the guest and the service provider. Following the theory on service quality, the concept of quality must be considered from the guest's perspective

because her/his perception of quality will determine whether or not s/he is satisfied with the service. It is the perception of the outcome by which “the service” is judged.

Hudson and Hudson (2013, p. 45-46) note “that guests evaluate service quality by comparing what they expected with what they perceive they received from a particular provider. If their expectations are met or exceeded then guests will usually believe that they have received high quality service, they are satisfied and they are more likely to remain loyal to that supplier”.

Garvin (1988) explained ‘perceived quality’ as the subjective perception of quality through indirect measures of quality comparison. Then, investigating service quality development, Groenroos (1990) stated that it was based on the confirmation/disconfirmation concept of service quality. He identifies ‘perceived service quality’ as the result of comparing the real experience with the expectation of a guest before consuming the service and notes that perceived service quality is positive when the experience goes beyond the expectation of the guest (confirmation) and vice versa (disconfirmation) when expectations are not met. Additionally, Groenroos asserted that guests have subjective views regarding the quality of service, thus one individual’s perception of ‘good’ quality might be different from that of others. It is probable that past experiences have a major role to play in this context.

Based on the perceived service quality concept Zeithaml, Berry and Parasuraman (1990) applied premises from other previous studies (Zeithaml, Parasuraman and Berry, 1985; 1988) to form their model of service quality, which is still the most generally accepted model and definition of service quality (exceeding guest expectations). According to Zeithaml et al. (1990) distinction between service quality and satisfaction is that perceived service quality is a global judgment (or attitude), relating to the superiority of the service, whereas satisfaction is related to a specific transaction. Kandampully (2011, p. 115) divides the methods for service quality into essentially two types: “monitoring operations to ensure conformance to specifications (an operations perspective); and measuring guest satisfaction (a performance or marketing perspective)”. Following the golden rule of service quality theory, where a guest is the only measurement of service quality, the focus here is on the latter.

Dutka (1994) stated that guest satisfaction research methodology could be divided into qualitative and quantitative categories and remarked that choosing qualitative or quantitative research is not an either-or situation. The methodologies are complementary and should be

combined to maximise their individual strengths. Kandampully (2007) concurs with mixed usage of qualitative and quantitative methods. He divides methods on collecting guest information about service quality into two fields (i) guest perception research; and (ii) measurement of service quality. Kandampully (2007, p. 103-4) claims that the “most commonly used methods for learning about guests’ perceptions are as follows:

- in-depth interviews with individual guests;
- focus-group interviews with selected groups of guests;
- statistical guest surveys of representative guest populations;
- critical-incident analysis;
- transaction analysis;
- mystery shoppers; and
- complaint analysis”.

Kandampully (2007) is convinced that service quality is best assessed by measuring guest satisfaction rather than by measuring operational efficiency. Accordingly, Kandampully (2007) suggests, the following approaches can be used: the SERVQUAL approach, the SERVPERF approach, the guest satisfaction measurement and service attribute score. He also mentions management involvement and employee feedback on guest satisfaction.

O’Neill (2001) describes in detail the following methods: management observations, employee feedback, comment cards, mail surveys, onsite personal interviews, critical incident technique, disconfirmation models, focus groups and mystery shoppers. Knutson (2001) also mentions, besides those mentioned above, complaints logs and special request logs, and guest value workshops. Hudson and Hudson (2013) use a less systematic approach to guest satisfaction measurement methods classification. They suggest the following methods: importance-performance analysis, SERVQUAL, comment cards, mystery shopping, critical incidents studies, lost guest research and on-line research. At this point it is necessary to review the advantages and disadvantages of each method. Although Ford and Bach’s (1997, p. 86-7) contribution did not cover all of the above methods, it does illustrate well the advantages and disadvantages of the methods studied so the author has updated and expanded their contribution (See Table 1).

Table 1 Advantages and Disadvantages of Methods of Measuring Guest Satisfaction

Management Techniques	Advantages	Disadvantages
Management Observation	Management knows business, policies and procedures; no inconvenience to guest; opportunity to recover from service failure; opportunity to obtain detailed guest feedback; opportunity to identify service delivery problems; minimal incremental cost for data gathering.	Management presence may influence service providers; lacks statistical validity and reliability; objective observation requires specialised training; employees disinclined to report problems they created
Employee Feedback Programmes	Employees have knowledge of service delivery obstacles; guests volunteer guest service experience information to employees; no inconvenience to guest; opportunity to recover from service failure; employee empowerment improves morale; opportunity to collect detailed guest feedback; minimal incremental cost for data gathering.	Objective observation requires specialised training; employees disinclined to report problems they created.
Comment Cards	Suggests that company is interested in guests' opinions of service quality; opportunity to recover from service failure; moderate cost; minimal incremental cost for data gathering.	Self-selected sample of guests not statistically representative; comments generally reflect extreme guest dissatisfaction or extreme satisfaction.
Mail Surveys	Ability to gather representative and valid samples of targeted guest; opportunity to recover from service failure; guests can reflect on their service experience; suggests that company is interested in guests' opinions of service quality.	Recollection of specific service encounter details may be lost; other service experiences may bias responses because of time lag; inconvenience necessitates incentives for participants; cost to gather representative sample may be high.
On-Site Personal Interviews	Opportunity to collect detailed guest feedback; opportunity to recover from service failure; ability to gather representative and valid samples of targeted guests; suggests that company is interested in guests' opinions of service quality.	May not be representative sample of guests; recollection of specific service encounter details may be lost; other service experiences may bias responses because of time lag; respondents tend to give socially desirable responses; inconvenience necessitates incentives for participants; cost moderate to high.
Telephone Interviews	Opportunity to collect detailed guest feedback; ability to gather representative and valid sample of targeted guests; opportunity to recover from service failure; suggests that company is interested in guests' opinions of service quality.	Individuals tend to find telephone call intrusive; difficult to contact people at work, involvement at home; cost of skilled interviewers and valid instrument are high.
Focus Groups	Opportunities to collect detailed guest feedback; opportunity to recover from service failure; qualitative analysis helps to focus managers on problem areas; other problems may surface during discussions; suggests that company is interested in guests' opinions of service quality.	May only identify symptoms and not core service delivery problems; feedback limited to small group of guests; information representative with repeat sampling; recollection of specific service encounter details may be lost; one group member may dominate or bias discussion; inconvenience necessitates incentives for participants; high cost of properly trained focus group leader.
Mystery Shoppers	Consistent and unbiased feedback; can focus on specific guest service situations; no inconvenience to guest; opportunity to collect detailed guest feedback; allows measurement of training program effectiveness.	Snapshots of isolated encounters may be statistically invalid; cost moderate to high.

Sources: Ford and Bach, 1997, p. 85-86; Uran, 2008, p. 87.

While hotel companies used to try hard to gather first-hand information on guest satisfaction, more recently this information has been available from different web channels such as TripAdvisor, as well as via on-line reservation systems such as booking.com or expedia.com. While it was once a problem collecting enough information from guests, now guests themselves offer information proactively on the extent to which they were satisfied or otherwise with the products and services of a hotel company. To conclude, currently, hotel managers are faced with the challenges how to capture and process information about guest satisfaction. Traditional methods such as questionnaires in a hotel room are no longer efficient in terms of getting timely and relevant information. Hotel companies are forced to use different approaches to get the most complete picture of their guests' satisfaction. In this case, methods for measuring guest satisfaction in Hotel Tetra are examined and the findings are compared with the guest satisfaction scores for the parent group.

### **Hotel Tetra**

Hotel Tetra was chosen for three main reasons. First, it was financially a very successful hotel, with one of the highest annual room occupancy rates and a high average daily rate in the country. These high rates did not stem from its favourable location but from good service. There are a few hotels nearby that have an equally good location but have lower rack rates. Second, Hotel Tetra is interesting in that it was “unprepared” for the onset of the recession in 2008, having neglected to upgrade its facilities. Third, its management used a variety of methods to measure guest satisfaction, so some of the methods listed by Ford and Bach (1997) could be applied and evaluated in a real business situation.

The hotel chain to which the Tetra belongs is a large, American owned, global hotel brand. It is a 4-star business hotel with 167 rooms in the historic centre of a capital city. Although Hotel Tetra is privately owned and is managed independently, its connection with the hotel chain dates back to 1996. Cooperation with the hotel chain has operated since then in terms of providing quality standards, marketing, controlling and the reservations' system, capitalising on the hotel chain's brand, for which an annual fee is paid, as well as a percentage of the income realised through their own international reservations system. Since Hotel Tetra is part of the hotel chain, it has to conform to certain minimum standards and maintain quality. Business and quality control checks take place annually and are performed by the hotel chain.

It is interesting to note Hotel Tetra's business strategy in the current difficult economic conditions when demand is falling. While other hotels chose to cut costs drastically, including the elements that are tied directly to the guest, along with employee salaries, the strategy of Hotel Tetra was quite the opposite – to offer the guest more and better services for the same price. When defining their service strategy, the focus was on three areas considered most important to their guests: location, bed concept and breakfast.

Hotel Tetra's main service strategy is to provide the best sleep and breakfast in town in the best location. Following the onset of the economic crisis, the guests' value chain was studied thoroughly and a plan of critical investments was prepared including a so-called 'soft' refurbishment. More recently, the bed concept, towels and bathrobes have been changed, the breakfast has been improved, the conference and function facilities have been renovated, textiles have been replaced, the spa and fitness centre have been renovated and the air conditioning system has been replaced. The main service concept throughout was about adding elements that are typical (according to international standards and national classification) of 5-star hotels to a 4-star hotel. As a consequence, while the competition's rates and income in the period from 2007-2012 were falling, Hotel Tetra increased its income by 25%, its REVPAR by 17%, its occupancy rates by 10% and the salaries of its employees by 37%.

### **Assessing Guest Satisfaction in Hotel Tetra**

Guest satisfaction feedback in Hotel Tetra is obtained by using the following methods:

#### *(i) Management observations*

The general manager and other senior management members make observations of hotel operations on a daily basis. They are present during the breakfast service, as they take meals there together with regular guests, as well as in the à la carte restaurant during lunchtime. They discreetly monitor food quality as well as employee interaction with guests. They are present during check-in of all important guests. They check-up on, and inspect, hotel and function rooms prior to the guests' arrival.

#### *(ii) Management interviews with guests*

Occasionally senior management, in particular the general manager, invites guests to an informal interview.

*(iii) Feedback from business to business guests*

Companies and organisations that frequently reserve accommodation for their clients at Hotel Tetra are sent surveys to be completed by the business guests.

*(iv) Employee observations*

Management collates employee observations on an almost daily basis. By using these qualitative methods, the senior management team obtains vital information on how well the guests are served. They analyse this information and discuss it on a daily and weekly basis in senior management and staff meetings. During these meetings, the team aims to discover the background to any complaints, and then discusses resolutions.

For more continuous follow up on guest satisfaction, the hotel uses questionnaires.

*(v) Management checking of hotel room questionnaires*

Management check hotel room questionnaires on a daily basis to see if there are any comments from the guests that require immediate attention (in terms of service recovery or immediate response). The questionnaires also obtain quantitative information, which is used by the marketing department to produce a monthly and annual analysis of data. This information subsequently becomes part of the annual business report.

*(vi) Web questionnaires*

Web questionnaires are more widely used to provide quantitative data over a longer period of time, and especially for monthly and annual benchmarks within the hotel chain.

*(vii) Management follow-up on tripadvisor.com*

TripAdvisor provides both qualitative and quantitative information on guest satisfaction. Hotel Tetra's management team follow up tripadvisor.com reviews on a daily basis to glean qualitative information on guests' views of their hotel. The general manager of Hotel Tetra responds to these guest reviews on TripAdvisor on a same day basis, indicative of best practice. A prompt response is crucial to the continued success of the business, in particular to ensure negative remarks are addressed and counteracted by some positive comments. Additionally, TripAdvisor provides numerical data on guest satisfaction via guest scores that may be then used for continuous measurement, as well as for benchmark analysis of the hotel chain through the Medallia web tool (<http://www.medallia.com/>) or through TripAdvisor directly.

One of the limitations of using results from different travel portals is discordant information, as most of them do not use the same criteria to measure guest satisfaction. The user of such information may then choose to use just one score – the overall guest satisfaction score - which by default does not deliver sufficient information about real guest satisfaction with the products and the services on offer. On the other hand, it is time consuming to collate all the scores for the different hotels in a destination without the type of appropriate support offered by on-line services like Medallia, which may be too expensive for most independent hotels.

In the present case study, guest evaluations were examined and compared using best practice by taking account of both qualitative and quantitative data (cf. Veal, 2011). Data were collected in 2007 and 2012 through Medallia. In total, 108 in 2007 and 151 in 2012 web questionnaires from Hotel Tetra were used for analysis. Hotel Tetra's results were compared to the parent hotel chain's results. To present the results, simple descriptive statistical methods, employing overall guest satisfaction scores calculated by Medallia, are used (See Table 2).

**Table 2 Medallia Overall Guest Satisfaction Scores (1-10);  
Comparison of Hotel Tetra with its Parent Hotel Chain in 2007 and 2012**

Elements	Tetra	Chain	Difference	Tetra	Chain	Difference	Index	Index
	2007			2012			Tetra	Chain
Overall GSS score	7.95	7.8	0.15	8.67	8.51	0.16	109	109
<b>Drivers</b>								
Overall experience	8.01	7.85	0.16	8.62	8.53	0.09	108	109
Overall service	8.25	7.98	0.27	8.7	8.7	0	105	109
Overall breakfast	8.03	7.72	0.31	8.96	8.28	0.68	112	107
Quality of guest room	7.28	7.57	-0.29	8.3	8.43	-0.13	114	111
Working order of room amenities	7.93	7.77	0.16	8.52	8.53	-0.01	107	110
Cleanliness of guest room	8.08	8.06	0.02	8.89	8.72	0.17	110	108
Intent to recommend	8.07	7.64	0.43	8.68	8.41	0.27	108	110
<b>Total</b>	<b>7.95</b>	<b>7.80</b>	<b>0.15</b>	<b>8.67</b>	<b>8.51</b>	<b>0.16</b>	<b>109</b>	<b>109</b>

Key: GSS – Guest Satisfaction Score

Source: Uran Maravić, Ivankovič, Jerman and Planinc, based on data supplied by Hotel Tetra

The evidence in Table 2 indicates that the overall satisfaction of guests has risen considerably from 2007 until 2012 for both Hotel Tetra (109) and its parent company (109), based on the average score. However, it needs to be pointed out that Hotel Tetra started with a higher base and, in fact, it is clear that the rate of increase in each case is identical using a base of 100 in 2007. Interestingly, when comparing the scores across the drivers, differences are apparent, some

of which suggest that Hotel Tetra may need to re-examine some of its products and services. It appears that, in some instances, for example the breakfast offering, the guests appeared to appreciate the changes and reacted positively but in others, such as the service, there are issues to be addressed. Tables 3-8 highlight in more detail these issues that may benefit from further attention.

**Table 3 Medallia Reservation and Arrival Guest Satisfaction Scores (1-10); Comparison of Hotel Tetra with its Parent Hotel Chain in 2007 and 2012**

Elements	Tetra	Chain	Difference	Tetra	Chain	Difference	Index	Index
	2007			2012			Tetra	Chain
<b>Reservation and arrival</b>								
Overall reservation/arrival	8.27	8.16	0.11	8.85	8.77	0.08	107	107
Accuracy of reservation*	8.77	8.54	0.23	9.11	8.79	0.32	104	103
Appearance of hotel exterior	8.01	8.04	-0.03	8.51	8.65	-0.14	106	108
Speed/efficiency of check-in	8.61	8.45	0.16	9.19	8.93	0.26	107	106
Total	8.42	8.30	0.12	8.92	8.79	0.13	106	106

Key: \* first 10 months only in 2012, because element was merged subsequently with others.

Source: Uran Maravić, Ivankovič, Jerman and Planinc, based on data supplied by Hotel Tetra

**Table 4 Medallia Guest Room Satisfaction Scores (1-10); Comparison of Hotel Tetra with its Parent Hotel Chain in 2007 and 2012**

Elements	Tetra	Chain	Difference	Tetra	Chain	Difference	Index	Index
	2007			2012			Tetra	Chain
<b>Guest room</b>								
Overall accommodation	7.79	7.66	0.13	8.31	8.45	-0.14	107	110
Comfort of bed	7.7	7.76	-0.06	8.72	8.59	0.13	113	111
Comfort of pillows*	7.36	7.59	-0.23	8.55	8.1	0.45	116	107
Lighting of guest room/suite*	7.38	7.45	-0.07	8.16	7.98	0.18	111	107
Cleanliness of bathroom*	8.17	8.07	0.1	8.84	8.47	0.37	108	105
Room/suite smelled fresh and clean*	7.49	7.62	-0.13	8.23	8.17	0.06	110	
Décor/furnishing of guest room/suite	7.08	7.59	-0.51	8.27	8.47	-0.2	117	112
Quality of internet access	7.21	6.78	0.43	8.12	8.16	-0.04	113	120
<b>Total</b>	<b>7.52</b>	<b>7.57</b>	<b>-0.05</b>	<b>8.40</b>	<b>8.30</b>	<b>0.10</b>	<b>112</b>	<b>110</b>

Key: \* first 10 months only in 2012, because element was merged subsequently with others.

Source: Uran Maravić, Ivankovič, Jerman and Planinc, based on data supplied by Hotel Tetra

**Table 5 Medallia Hotel Staff and Service Guest Satisfaction Scores (1-10); Comparison of Hotel Tetra with its Parent Hotel Chain in 2007 and 2012**

Elements	Tetra	Chain	Difference	Tetra	Chain	Difference	Index	Index
	2007			2012			Tetra	Chain
<b>Hotel staff and service</b>								
Quality of hotel staff/service overall	8.18	8.13	0.05	9.04	8.8	0.24	111	108
Friendliness of hotel staff	8.4	8.36	0.04	9.07	8.97	0.1	108	107
Helpfulness of hotel staff	8.36	8.29	0.07	9.08	8.89	0.19	109	107
Knowledge of hotel staff	8.32	8.16	0.16	9.09	8.85	0.24	109	108
Staff responsive to request*	8.24	8.15	0.09	8.99	8.6	0.39	109	106
Professional appearance of staff	8.4	8.31	0.09	9.11	8.89	0.22	108	107
Helpfulness of housekeeping staff*	8.43	8.26	0.17	9.1	8.65	0.45	108	105
<b>Total</b>	<b>8.33</b>	<b>8.24</b>	<b>0.09</b>	<b>9.07</b>	<b>8.81</b>	<b>0.26</b>	<b>109</b>	<b>107</b>

Key: \* first 10 months only in 2012, because element was merged subsequently with others.

Source: Uran Maravić, Ivankovič, Jerman and Planinc, based on data supplied by Hotel Tetra

**Table 6 Medallia Restaurant Guest Satisfaction Scores (1-10); Comparison of Hotel Tetra with its Parent Hotel Chain in 2007 and 2012**

Elements	Tetra	Chain	Difference	Tetra	Chain	Difference	Index	Index
	2007			2012			Tetra	Chain
<b>Restaurant</b>								
Overall satisfaction with restaurant	8	7.89	0.11	9	8.48	0.52	113	107
Overall quality of F & B	8.1	7.84	0.26	8.84	8.35	0.49	109	107
Décor of restaurant*	8.21	7.84	0.37	8.79	8.27	0.52	107	105
Restaurant staff service	8.24	7.94	0.3	9.08	8.56	0.52	110	108
Restaurant menu selection	8.19	7.62	0.57	8.62	8.24	0.38	105	108
<b>Total</b>	<b>8.15</b>	<b>7.83</b>	<b>0.32</b>	<b>8.87</b>	<b>8.38</b>	<b>0.49</b>	<b>109</b>	<b>107</b>

Key: \* first 10 months only in 2012, because element was merged subsequently with others.

Source: Uran Maravić, Ivankovič, Jerman and Planinc, based on data supplied by Hotel Tetra

**Table 7 Medallia Breakfast Guest Satisfaction Scores (1-10); Comparison of Hotel Tetra with its Parent Hotel Chain in 2007 and 2012**

Elements	Tetra	Chain	Difference	Tetra	Chain	Difference	Index	Index
	2007			2012			Tetra	Chain
<b>Breakfast</b>								
Overall breakfast*	8.03	7.72	0.31	8.9	8.32	0.58	111	108
Presentation of breakfast items	8.03	7.88	0.15	9.01	8.34	0.67	112	106
Quality of breakfast items	7.74	7.85	-0.11	8.97	8.21	0.76	116	105
Variety of breakfast items*	7.54	7.64	-0.10	8.92	8.08	0.84	118	106
<b>Total</b>	<b>7.84</b>	<b>7.77</b>	<b>0.07</b>	<b>8.95</b>	<b>8.24</b>	<b>0.71</b>	<b>114</b>	<b>106</b>

Key: \* first 10 months only in 2012, because element was merged subsequently with others.

Source: Uran Maravič, Ivankovič, Jerman and Planinc, based on data supplied by Hotel Tetra  
**Table 8 Medallia Departure Guest Satisfaction Scores (1-10);**  
**Comparison of Hotel Tetra with its Parent Hotel Chain in 2007 and 2012**

Elements	Tetra	Group	Difference	Hotel	Group	Difference	Index	Index
	2007			2012			Hotel	Chain
<b>Departure</b>								
Overall departure	8.37	8.34	0.03	9.04	8.88	0.16	108	106
Speed/efficiency of check-out*	8.46	8.45	0.01	9.07	8.79	0.28	107	104
Accuracy of bill*	8.58	8.57	0.01	9.19	8.84	0.35	107	103
Helpfulness of front desk staff*	8.48	8.49	-0.01	9.15	8.83	0.32	108	104
<b>Total</b>	<b>8.47</b>	<b>8.46</b>	<b>0.01</b>	<b>9.12</b>	<b>8.84</b>	<b>0.28</b>	<b>108</b>	<b>104</b>

Key: \* first 10 months only in 2012, because element was merged subsequently with others.

Source: Uran Maravič, Ivankovič, Jerman and Planinc, based on data supplied by Hotel Tetra

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### **Website**

<http://www.medallia.com/>

### ***Questions and Activities***

1. Considering the qualitative and quantitative methods of measuring guest satisfaction, which methods for the measurement of guest satisfaction do you consider to be the best? Justify your response.
2. Consider the data in Tables 3-8 and make recommendation to the management of Hotel Tetra on how they might further increase guest satisfaction without capital expenditure, i.e. with a very limited budget.
3. Design, with justification, a process for measuring guest satisfaction in a hotel of your choice. Include suggestions for the information collection, processing and dissemination both internally and externally.

# Public Transport Information Provision and Intelligent Transport Systems Applications: the Case of Budapest

by **Eszter Benke**

## **Background**

Transport has always been an essential factor in tourism development; it has stimulated its growth and also contributed to changes in travel trends. Transport performs four major roles in serving tourists' needs: in addition to "linking the source market with the host destination; providing mobility and access within an actual tourism attraction; and facilitating travel along a recreational route which is itself the tourism experience; it provides mobility and access within a destination area/region/country (Hall, 1999, p.181)". The current case study focuses on a specific aspect of the latter: transport within a destination area and within that, more specifically, tourist use of public transport in urban tourism. The aim of the current case study is to give an overview of the recently introduced intelligent transport systems applications in Budapest that may facilitate travellers' mobility in the city and potentially contribute to a positive tourism experience.

Developments in public transport focus primarily on local inhabitants' needs and aim to counterbalance the negative effects of growing motorisation and the problems of urban congestion and pollution. Alongside serving the needs of the host country, tourists also can benefit from a highly developed public transport system. Urban mobility is important both for locals and visitors in any destination, and sustainable urban mobility is a key factor in creating and promoting a sustainable global environment. Reducing car-dependency and relying more on mass-carrier public transport may only be a first and minor move towards an environmentally-conscious tourist attitude, yet it is definitely a significant step. Even if public transport may not be attractive for tourists with specific needs or with personal, physical or psychological limitations, for others a well-developed public transport system in a destination is a significant pull-factor (Albalade and Bel, 2010).

Local users' satisfaction with public transport has been widely researched (for example, Mokonyama and Christoffel, 2013; Mouwen, 2015) but there appears also to be a growing body

of research investigating tourists' attitudes to public transport services in a destination area. In their review article Le-Klähn and Hall (2015) provide an overview of recent empirical research on tourism and public transport. Whereas rural destinations at the moment do not demonstrate a high proportion of public transport use by visitors, for reasons easily accounted for, urban areas offer a wide choice of public transport services of which the metro service seems to be particularly popular with tourists in major European cities (Simon, 2012; Le-Klähn, Hall and Gerike, 2014). Research also confirms that young travellers are more likely to use public transport in urban destinations (for example, Thompson and Schofield, 2007; Farag and Lyons, 2012).

Tourists' satisfaction with public transport is also a key issue in the examination of the relationship between the travel experience and the services and the facilities that a destination offers. Such findings may not only inform tourism development but also suggest ways of improving tourism-related services, particularly the supply side of tourism transport. Le-Klähn and Hall (2015) identified a number of factors that influence and contribute to customer satisfaction with public transport services. They concluded that in addition to ease-of-use, efficiency, safety and service frequency, "the availability of information to visitors is paramount (p. 792)". Information provision is considered a "soft" attribute as opposed to the "hard" attributes, such as access time, which represent a quantifiable category that is applied in the analysis of bus services by Harrison, Henderson, Humphreys and Smyth (1998). Availability and access to information appears to be a major decisive factor for the choice of mode of transport and the use or non-use of public transport services, as further findings also suggest (for example, Dallen, 2007; Kinsella and Caulfield, 2011; Edwards and Griffin, 2013; Le-Klähn et al., 2014). Unlike studies which explored tourist satisfaction with public transport services in major cities, such as in Munich (Le-Klähn et al., 2014), Manchester (Thompson and Schofield, 2007), Dublin (Kinsella and Caulfield, 2011), Melbourne (Edwards and Griffin, 2013), Sydney (Ho and Mulley, 2013) and Taipei (Chang and Lai, 2012), the current case study envisages only to consider the intelligent transport systems' applications that are available to tourists in Budapest. The purpose of this research was to obtain information about public transport services, with only a very brief and superficial glimpse into customer satisfaction.

## **Public Transport Information Provision and Intelligent Transport Systems' Applications in Budapest**

Transport-related information is required by the traveller at four different stages of the journey (Caulfield and O'Mahony, 2007): before the trip at the planning phase, at the stop, during the travel and on the return journey. Parallel with the major on-going reconstruction of the public transport system, Budapest and the BKK (Centre for Budapest Transport) have recently introduced a number of passenger information services, first and foremost to help travellers with their travel plans and partly to counterbalance the temporary, though rather extensive disturbances caused by the reconstruction work. Both traditional and intelligent information services are available in Hungarian as well as in English; thus, in addition to local inhabitants, tourists can also benefit from the new services.

### **Intelligent Transport Systems' Applications**

#### *BKK Futár Trip Planner*

Pre-trip transport information is available to travellers on the website of BKK and also in the form of smart phone application both in Hungarian and English. BKK Futár offers route planning facilities for public transportation. Travellers can select the preferred or required mode of transport, including MOL Bubi cycling options as well, and the time of departure. The smart phone application also provides real-time traffic information which allows the traveller to locate the actual vehicle they may want to use. This facility is particularly useful when approaching or waiting at a stop. Real-time information on upcoming vehicles and the full timetable can also be accessed easily. The information is displayed on a map of the city, which is particularly useful for tourists as they can locate sights or catering or entertainment facilities as well.

#### *Real-Time Passenger Information (RTPI) Displays*

Real time passenger information displays are available for tram, bus, trolley-bus and underground services at stops/stations and, depending on the actual mode of transport, they indicate either the arrival of the next service or list all the vehicles that are due to arrive within a short period of time. In addition to the estimated time of arrival, the final stop is also indicated thus providing information about the direction and route. The majority of the vehicles, especially the more modern ones, also offer on-board RTPI services. The on-board information usually indicates the upcoming stop/station and transfer possibilities. In most cases the on-board RTPI services are complemented by audio announcements both in Hungarian and English. Announcements also update travellers about temporary changes or unexpected traffic incidents.

## **Traditional Passenger Information Services**

### *Information Boards and Signs*

Although the installation work of the new and detailed information boards still seems to be in progress at smaller stops and stations on the outskirts, all central and major stops and stations do have information boards about transport possibilities, new lines and transfer options. Detailed and continuously updated on-board information signs also assist travellers in route planning during their journeys. More recently BKK has introduced educational “fun” signs drawing travellers’ attention to a considerate attitude to fellow-passengers during travel. The images are accompanied by Hungarian and English captions. These signs are both instructional and entertaining, even if one might wonder how many foreign travellers using public transport should be warned in English that dogs must be muzzled during travel!

### *Customer information points, ticket offices and the call centre*

Paper-based booklets are also made available to travellers at the recently opened customer information points at the airport. Information and ticket sales staff help tourists get around in the city and also assist in buying the appropriate passes, travel cards and tickets. Sales staff, with a highly differing but functional command of English, help travellers with their queries. With the introduction of the new ticketing machines, which can be operated in nine different languages, the number of staffed ticket offices has decreased. At the same time, a growing number of guards and inspectors appear to be monitoring the flow of travellers. Tourists may also make use of the English-language services of the Call Centre provided they have easy access to the phone number and are prepared to clear the usual machine-voice hurdles at the initial stage of their call.

## **On-line Reviews and Opinions**

It is outside the scope of the current case study to analyse users’ reviews of the public transport system in Budapest systematically; nevertheless, it is revealing to read how travellers feel about the system. The majority of the posts confirm that foreign tourists and temporary inhabitants find that the city is adequately served by the transport network. Blogger 2, however, found the service as well as information provision inadequate. A number of replies expressed different opinions and also attributed the problem to the unusually heavy traffic and special timetables operated at Christmas, at the time of the blogger’s travel.

Comment 1 (2011) *“The tram, bus and metro system in Budapest is really good. Sure, some of them are a bit old and well-worn, but that’s all part of their charm”.*

Comment 2 (2012) *“Stupid idiots, we took the public transport from the Budapest airport — you know, easy, bus 200, metro blue line, 40 minutes, you are home, sipping Hungarian red. It was around 3 o’clock in the afternoon when we left the airport building, what could go wrong? We have an alright public transport in Budapest, don’t we? They even tell you some things in English in some buses and trams, how cool is that? ... All right then, we think, BKV, or BKK, or whatever the Budapest public transport company is called these days, has failed both with transport and information, let’s call a taxi then”.*

Comment 3 (2014a) *“Budapest has, no doubt, a good transport system, and with metro, trams, two types of suburban railways (MAV and HEV), a funicular, trolleybuses, a rack railway, a children’s railway and even a chairlift, there is enough to explore for any urban transport enthusiast.”*

Comment 4 (2014b) *“Budapest has an extensive transit network which features subways, trams, and buses. Public transportation is inexpensive and is quite easy to navigate.”*

Comment 5 (2015a) *“Budapest is one of the largest cities in Eastern Europe and has a large, but very confusing public transportation network. ...At the same time, the city itself grows due to the developments in Hungary. Due to that, public transportation got very confusing over the years. I thought that the transport system in Budapest was excellent. At first it is confusing, but the integrated tickets for bus, tram and metro made it very easy to get around.*

*What I was a bit surprised by was the corporate sponsorship. The maps in the metro also include the location of all the McDonalds in the city.”*

Comment 6 (2015b) *“You are absolutely right. The system is a little tough to get at first, but as soon as you got a ticket for all modes of transport, you are getting along very good!”*

Comment 7 (2016) *“The system is great if you can work the machines. My note kept being returned but a local beggar, whose pitch was adjacent to the machine, tried to be helpful then held out her hand for a tip. I gave up and joined a long queue at the only available metro ticket sales point. Five minutes later a colleague gave me his spare ticket as I was still at the end of the long queue! I would definitely recommend buying a 24 or 48 hour transport pass, which is very reasonably priced, to avoid such situations”*

## Conclusion

The passenger information services described above have been developed in response to the requirements of the digital age and apply the technological advances of recent years. They meet local residents' as well as tourists' needs and make public transport more attractive for both cohorts. In order to further improve the services and meet tourists' needs, it is essential for the service provider to continuously collect data on customer satisfaction: on-line reviews and travel blogs might be an insightful and easily accessible source of such information.

With a substantial proportion of our lives digitalised, one cannot ignore the role and the importance of human factor in information provision, especially in the tourism industry. While machines will perform their tasks automatically, there is still a need for the assistance of humans in information provision, too. In addition to the Intelligent Passenger Information Services, friendly, helpful, knowledgeable and adequate customer service staff are also required to improve the image of public transport, to encourage more people to act in line with the expectations of sustainable development, to use collective forms of transport and, ultimately, to create and maintain a positive tourist experience.

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### ***Questions and Activities***

1. Why is it in the interest of a tourist destination to make public transport services attractive to tourists?
2. In what/how many languages should informational signs, websites and maps be made available to foreign travellers?
3. What are the trip/visit characteristics of those tourists who typically use public transportation?
4. How can the “non-digital” market segment be encouraged to use intelligent information systems?
5. Determine what marketing tools could be used then design a marketing campaign for: (a) an upmarket clientele; and (b) the senior market to encourage them to use public transport during their holiday.
6. Select an urban and a rural destination in your country. Compare how it is served by different types of public transport and also compare the typical users of public transportation in the two destinations.
7. Select an area/city with a comprehensive public transport system. Design a research project to obtain data about tourist satisfaction with the services.

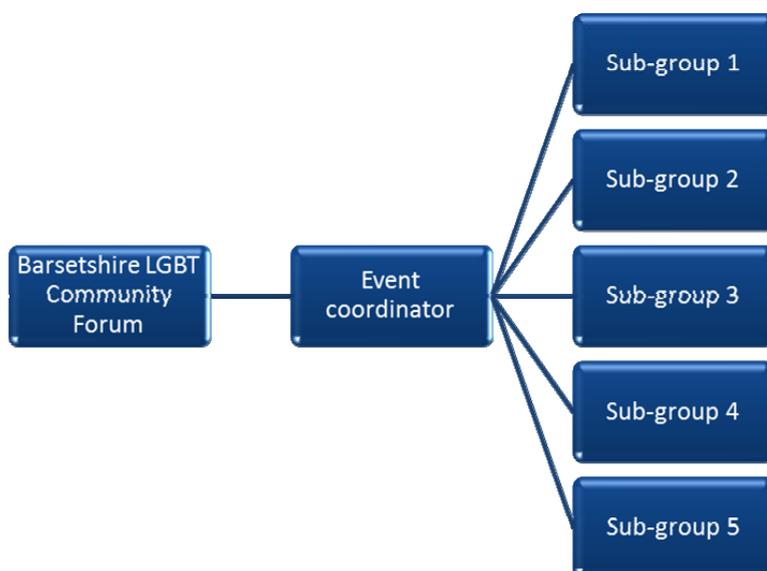
# Lives Undercover: Chinese Lesbian and Gay Cinema Event

by Mac McCarthy and Phyllis Yongpei Li

## Introduction

Bassetshire Lesbian, Gay, Bisexual and Transgender (LGBT) Community Forum have been supporting their community for almost 10 years, providing advice, information, enabling support groups and running events for the LGBT community, including Gay Pride, which has run for three years now, in the main county town of Basset. The Forum members decided to initiate a county-wide LGBT Film Festival. The call went out via social media to invite volunteers from the LGBT community to attend a meeting to discuss the idea and establish a planning group. Alice Benn, a support worker from the group took on responsibility for organising and coordinating this event. At the first meeting, in June, there were volunteers with community cinema experience. Some people had less experience than the remainder but with a commitment to LGBT community issues and two people had an interest in Chinese LGBT cinema. The volunteers agreed to meet every Thursday evening as that was when most of them were free, and Alice would coordinate. Within two weeks small sub-groups had formed, each with their own

**Diagram 1 Organisation of the Subgroups**



film project and with different locations in mind for each, across the county. In addition, a set of goals had emerged for the festival, which led to the gradual formation of some objectives. The key goals included: (i) to provide a festival experience of LGBT films as a form of celebration and awareness-raising of members of the LGBT community; and (ii) to engage volunteers who could develop their specialist interests through the medium of film.

By late August, attendance at the meetings had fallen dramatically but it was clear that the sub-groups (See Diagram 1) were all making progress with their own projects, although setbacks did occur from time to time. The Chinese LGBT Film Night was managed by Fan Li, a journalism graduate with a Master's degree in Media Studies, and Matt McKenna, a retired university lecturer who had given lectures on Sexuality in China and Chinese Gay Cinema. Together, they formed sub-group 5. Fan had been involved in LGBT activism in China, writing for various magazines and blogs and she had continued her writing for lesbian and gay media whilst studying in the United Kingdom (UK). Despite never having met before, she and Matt got on well and clearly had similar ideas about the event as well as a mutual interest in the LGBT community. Their primary concern was to present films that examined homosexuality in China and to make these films available to young Chinese, studying in Bassetshire; lesbian and gay cinema was not publicly available in China and the only access to films about sexuality was via internet websites. They were both aware that, amongst young Chinese, there was a growing interest in such issues regardless of their own sexuality. At the same time, Fan and Matt wanted to increase awareness amongst other nationalities.

Fan and Matt met for the first time at the initial meeting and began to work together, out of their common interest in LGBT issues in China and in Chinese LGBT cinema. They agreed from the start that the event should be more than just showing films; they decided to show two films, one focusing on a lesbian relationship and one focusing on a gay relationship. However, they also wanted the evening to be informative, engaging and challenging as well as entertaining, so they introduced a quiz with prizes, traditional Chinese snacks, and information sheets with local contact details and Chinese websites with quite a long interval to allow people to chat informally and ask questions. There was also a short documentary made by Fan, which focused on young lesbian and gay Chinese currently living and studying in the UK. In addition, they added LGBT film posters on the walls and gay-themed table decorations.

### **The Event Network**

Alice organised the meetings of group members and then largely took a back seat, leaving members to explore their own issues and resolve problems together. In early meetings, Alice had ensured everyone reported on their ideas, needs and progress – this seemed like a good idea but interaction and sharing of ideas was somewhat hit-and-miss. As a result, the frequency of meetings quickly declined and, for Fan and Matt, this laxity presented some barriers, as they were not active members of the Barsetshire LGBT Forum or any of the other groups from which different members knew each other. However, Fan and Alice got on well and began to meet separately from time to time to ensure that Fan was aware of factors relevant to the event. Once again, though, Alice began to miss meetings with Fan and so very important details were left unaddressed, notably finding a suitable venue, obtaining funding and an understanding of the legal position regarding showing films in a public place. Alice just provided Fan with names of people who could help and left her to work alone. Matt took a back seat because he was encouraging Fan to take the lead; managing an event like this was good experience for her and could be helpful for her Curriculum Vitae when she came to look for career opportunities.

For almost three months Matt and Fan focused their efforts on deciding which films to show and identifying organisations that might give them access to an audience, when they produced their publicity material. Social media were used, as discussed from the outset, both by the main group and by each specific sub-group for their own events. In fact, social media quickly became the main medium of communication for all.

### **People's Cinema**

Alice managed to get “People’s Cinema”, a community support organisation operating nationally to provide help, advice and guidance for any community cinema project in the country, involved. Their regional coordinator contacted Fan, at Alice’s request, to inform her that all films shown needed to be licensed in the UK; otherwise a special licence would need to be obtained from the local city council. Fan and Matt quickly realised that this licensing issue could present problems because their films would be Chinese. Fan contacted the regional coordinator and obtained a list of Chinese films that had a UK licence and found a small number that were lesbian or gay themed. She also discovered that a licence fee would still need to be paid but, once the films had been chosen, People’s Cinema could organise it for them and could also manage to get some funding to assist with the cost.

Meanwhile, Matt had contacted Basset University Institute for Chinese Culture Studies and obtained funding from them also. Other contacts there agreed to disseminate the publicity materials, targeting courses with high numbers of Chinese students and, in the Tourism, Hospitality and Events Management programme, the event could be included as a course event and therefore subsidised. Suddenly, things were coming together for them and Alice expressed her delight when she found out about the progress they had made. Alice informed the groups that she had found a venue and everything was arranged with the management there; Fan and Matt decided to visit the venue to check out how they might use it to best advantage.

### **The Boulevard**

The Boulevard was a local gastro pub and entertainment centre, with a large multipurpose room that was used for weddings, parties, drama, poetry readings and concert nights. It was ideal for their needs and Fan and Matt were ready to start planning the fine details of their event. The manager of The Boulevard then pointed out that no agreement had been reached, as far as she knew, but they would need to talk to another organisation, Culture Vultures events group, who organised events throughout Bassetshire and managed all events at The Boulevard. Annie Veck was their manager but she was on holiday for the next 10 days; the event would need to be discussed with her – including fees! With only six weeks to go, the situation was looking urgent and both Fan and Matt realised that they needed to begin the publicity process before Annie was available. Fan produced a poster, calling their event “Lives Undercover”, leaving out key details but indicating that more details would follow. Matt then had it circulated in the university and Fan used her contacts in various Chinese cultural groups to disseminate the poster. In addition, they used a range of social media. At least awareness raising had begun.

When Annie Veck returned from holiday she responded immediately to the messages left by Fan and proved to be invaluable. The event was booked; they could have access to the venue during the day to decorate it with posters and small rainbow flags and the fee was simply for a projectionist to be available - a modest figure that fitted easily within their still rather variable budget. Meanwhile, the Basset University Institute for Chinese Culture Studies contacted them to confirm the amount of funding available, not only for licence fees but to provide Chinese snacks and other incidentals in order to ensure that the evening was a Chinese cultural event. Fan was delighted and Matt was relieved. There was now a little less than four weeks to go. Fan quickly added the name of the venue, the time and the film titles to the poster and the details were circulated through the university, social media and other groups. Fan set about making her

short documentary: interviews with Chinese students living in the UK and experiencing a very different view of lesbian and gay life compared to their home.

Two weeks before the event, Fan and Matt were invited into the university to address one of the classes, at the request of the tutor who had obtained finance to subsidise ticket sales to her group. As Tourism, Hospitality and Events Management students, they should, she argued, be offered opportunities to explore intercultural events of all kinds, including those they might not easily visit at home in China. Fan and Matt were aware of the reluctance of Chinese students to discuss sexuality issues or to attend public events, despite the growing interest in sexuality in China.

### **The Big Night**

Fan and Matt arrived mid-morning at The Boulevard to decorate the tables and to put up film posters around the walls. Quiz sheets were placed on the tables, which were laid out in dining style, for the pre-film activity. Programmes were distributed to each table and small rainbow flags provided a humorous centrepiece. Fan was delighted with the whole effect. They were ready! All that remained now was for an audience to appear.

Some 28 people turned up for the event, of which the vast majority were Chinese students. It was the highest turnout of any of the events in the whole LGBT Film Festival and Alice was overwhelmed by the success, not only in terms of numbers but in terms of reaching the target audience, and of the opportunity it gave to raise the profile of LGBT people, especially in the context of China where such issues did not receive much publicity. She was also impressed with the event itself: the décor, the quiz, the documentary and the interaction with the audience – and, of course, with the delicious snacks! Amongst the audience, all the small groups of western visitors identified themselves as lesbian or gay whilst only two of the Chinese did. Chatting during the interval and after the event, they indicated that they had come along for various reasons, including curiosity, having a night out at the cinema, spending time with friends, a desire to learn and their tickets were free! Even so, everyone said that they had enjoyed the evening, found it entertaining and informative – and the snacks were good!

Fan and Matt were pleased with the turnout and the audience reaction. Alice was delighted with such a good turnout for what everyone acknowledged would be a minority interest – it had reached a community within the city that is not easy to reach. On the other hand, the attendance

by other nationalities, including local people, was low and only one other member of the Bassetshire LGBT Community Forum attended, apart from Alice. None of the other sub-groups attended, which had become increasingly the case across all the events. Clearly, the volunteers had become very involved in their own events, to the exclusion of others. Demands on time had been a growing issue for all of them.

### After The Event

Alice attempted to organise an evaluation evening for all the groups who had participated but very few could attend the selected date and so it did not take place. Shortly after, she announced that she was moving on to a new job with another community organisation. She had hoped that the group would take on responsibility for organising future film festivals, given that these had been successful, though momentum had waned somewhat as the six week programme progressed with each smaller group becoming more isolated from the others. Clearly, there was still a role for a coordinator in the future. Fan and Matt both agreed that it was too soon to expect a fully-fledged LGBT community festival to have emerged after only one run. Nevertheless, both were pleased with their own event and the turnout for it. They developed a model (See Diagram 2) for evaluating their own event and their participation in the festival as a whole and used it to shape their own discussions concerning its success and what they had learned from it.

**Diagram 2 Evaluation Model for the Event**



### **Theoretical Considerations**

Numerous authors have explored the key issues affecting the success of events, related to volunteers and their involvement. Kim, Kim and Odio (2010) noted the impact of community identities as an influence on volunteer pride in the event taking place; however, this impact became less important as the job satisfaction of volunteers increased, and in turn was affected by effective volunteer management as well as volunteer recruitment. The recruitment process for the LGBT Film Festival was simply a call for interested volunteers via social media. Management was focused largely on organising meetings and connecting the sub-groups with each other and with other organisations that might help, such as venues and People's Cinema. Whilst each sub-group managed itself and its event effectively, there was a lack of coordination across all groups. Useful information was readily shared, however, via social media.

Costa, Chalip, Green and Simes (2006) suggested that recruitment and retention of volunteers could be enhanced by identifying ways of increasing their overall satisfaction with the experience. Their sense of community is an important factor as well as organisational commitment. Costa et al. (2006) emphasised training as a means of building a sense of community and developing commitment. It was clear at the meetings that did take place that there was commitment to the festival and its perceived goals, though these were not explicitly discussed after the first meeting; commitment from the Barsetshire LGBT Community Forum was expressed by Alice, with no involvement from other organisation members. Very few members attended any of the events. Elstad (2002) found that, in his study of a jazz festival, motivational factors and festival context were important factors for volunteers' continued commitment and noted a significant percentage had considered quitting for numerous reasons, including context and effective management. Ralston, Downward and Lumsdon (2004) focused on the expectations of volunteers and noted the importance of recruitment, training and other management dimensions. This finding was supported by Crespi-Vallbona and Richards (2007) who noted that policy makers focused on economic and political issues whilst producers and volunteers were concerned with the social identity of the event. In the case of the LGBT Festival, volunteers became somewhat fractured in their focus, with emphasis given to their own event and less so to others, as they became self-governing. This fact was evident by the difficulties in maintaining meetings and the near impossibility of organising an evaluation meeting after the festival.

Stebbins (1992) developed a serious leisure theory in which he defined serious leisure as, "... the systematic pursuit of an amateur, hobbyist, or volunteer activity that participants find so

substantial and interesting that, in the typical case, they launch themselves on a career centred on acquiring and expressing its special skills, knowledge, and experience” (Stebbins, 1992, p. 3). He noted six key qualities:

1. perseverance
2. career
3. effort
4. unique ethos
5. identity
6. durable benefits (self-actualisation, self-enrichment, self-expression, recreation, accomplishment, self-image, social interaction, social belonging, and lasting products).

This model applies generally to on-going events such as annual arts’ festivals that often become key focal points within communities. He contrasted serious leisure with casual leisure which is “...immediately, intrinsically rewarding, relatively short lived pleasurable activity requiring little or no special training to enjoy it” (Stebbins, 1997, p. 17)

Alice clearly had hopes for the continuation of the festival and for its establishment as a key feature in the calendar of the Bassetshire LGBT community as a whole but there remain some serious questions concerning how this might happen.

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### ***Questions and Activities***

1. Using the model that Fan and Matt developed, review the LGBT Film Festival process, identifying strengths and weaknesses.
2. Using their model, evaluate their event and develop guidelines for any future event.
3. Identify the key factors from the research studies that affect volunteer engagement and analyse the handling of the Film Festival using these factors.
4. Assess the challenges facing the Forum in attempting to develop and establish an annual Film Festival, using Stebbins's model of a serious leisure activity.

### **Recommended Reading**

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# **An Exploration of the Impact that Externalities have on Investments in the Travel and Tourism Sector in Europe**

**by Sabina Fuller**

## **Background**

In the past 20 years, the growth of the oil and gas industry in Russia and the former states of the Soviet Union has led to an explosion of wealthy oligarchs (The Independent, 2009). Many of these oligarchs have been investing heavily in Western and Central Europe, mainly in property but also in football teams and the hospitality sector (Carter, 2014). However, in recent years the political stability of Russia has been shaken and the crisis in Ukraine has led to extensive economic sanctions by western nations (The Economist, 2014). These sanctions, and the effect of the slump in the ruble, have encouraged increasing numbers of wealthy Russians to look for investment in a stable European climate, beyond the reach of the economic sanctions and the currency instability (Rapoza, 2014).

## **Scenario**

Imagine you have been approached by a wealthy Russian individual who wishes to invest three million dollars in the hospitality sector. She has three alternative investment options and would like you as an expert to review them and advise her on which is best. She needs you to consider several factors, including the opportunity, risk, travel and tourism indicators, economic indicators and various internal and external environmental factors. By externalities we are referring to any external environmental factors to the organisation such as political, legal and economic issues.

## **Investment Option 1 - United Kingdom**

According to the Central Intelligence Agency (2014), for the past 300 years, the United Kingdom (UK) has played a leading role in developing parliamentary democracy and in advancing literature and science. At its zenith in the 19th century, the British Empire stretched over a quarter of the earth's surface. The first half of the 20th century saw the UK's strength seriously decrease as a result of two world wars. The second half witnessed the dismantling of the Empire and the UK rebuilding itself into a modern and prosperous European nation. As one of five permanent members of the United Nations (UN) Security Council and a founding

member of North Atlantic Treaty Organisation (NATO) and the Commonwealth, the UK pursues a global approach to foreign policy. The UK is also an active member of the European Union (EU), although it chose to remain outside the Eurozone and continues to use its own currency, the pound sterling.

#### *United Kingdom: Economic background*

The UK, a leading trading power and financial centre, is the third largest economy in Europe after Germany and France (The Encyclopedia of Earth, 2015). According to Visit Britain (2013), over the past two decades, the government has greatly reduced public ownership. Agriculture is intensive, highly mechanised, and efficient by European standards, producing about 60% of its food needs with less than 2% of the labour force. Britain has 10 National Parks and areas of natural beauty covering 9.3% of the land area, which are protected from agricultural and industrial use. The UK has large coal, natural gas, and oil resources, but its oil and natural gas reserves are declining and, in 2005, the UK became a net importer of energy. Services, particularly banking, insurance, and business services, are key drivers of British Gross Domestic Product (GDP) growth. Manufacturing, meanwhile, has declined in importance but still accounts for about 10% of economic output (Central Intelligence Agency, 2015). After emerging from recession in 1992, Britain's economy enjoyed the longest period of expansion on record, during which time growth outpaced most of Western Europe (Central Intelligence Agency, 2014a).

In 2008, however, the global financial crisis hit the economy particularly hard, due to the importance of its financial sector. Falling home prices, high consumer debt, and the global economic slowdown compounded Britain's economic problems, pushing the economy into recession in the latter half of 2008 and prompting the then Brown (Labour) government to implement a number of measures in an attempt to stimulate the economy and stabilise the financial markets; these included nationalising parts of the banking system, temporarily cutting taxes, suspending public sector borrowing rules, and moving forward public spending on capital projects (Central Intelligence Agency, 2014a). Facing growing public deficits and debt levels, in 2010 the Cameron-led coalition government (shared between Conservatives and Liberal Democrats) initiated a five-year austerity programme, which aimed to lower London's budget deficit from about 11% of GDP in 2010 to nearly 1% by 2015 (Central Intelligence Agency, 2014a). In November 2011, the Chancellor of the Exchequer, George Osborne, announced additional austerity measures through to 2017 largely due to the euro-zone debt crisis. Also, the Cameron government raised the value added tax (VAT) from 17.5% to 20% in 2011 and it

pledged to reduce the corporation tax rate to 21% by 2014. The Bank of England (BoE) implemented an asset purchase programme of £375 billion from December 2013. During times of economic crisis, the BoE coordinates interest rate moves with the European Central Bank, but Britain remains outside the European Economic and Monetary Union (EMU) (Central Intelligence Agency, 2014a).

In 2012, weak consumer spending and subdued business investment weighed on the economy; however, in 2013 the GDP grew 1.4%, accelerating unexpectedly in the second half of the year because of greater consumer spending and a recovering housing market. The budget deficit is falling but remains high at nearly 7%; public debt has continued to increase (Central Intelligence Agency, 2014a).

#### *United Kingdom: Travel and Tourism Background*

According to the *Travel & Tourism (T&T) Competitiveness Report* (2013) the UK has moved up two places since the last edition of the Report (2011), to reach 5th place globally (World Economic Forum, 2013). The country's T&T competitiveness is based on its excellent cultural resources (ranked 3rd) (World Economic Forum, 2013), with many World Heritage cultural sites, a large number of international fairs, and strong creative industries (all ranked within the top 10 for the UK). The country has probably benefited from two important events in 2012: the Olympic Games and the Diamond Jubilee of Queen Elizabeth II. The UK has leveraged the preparation of these events in terms of tourism campaigns, generating interest in visiting the country and reinforcing their already-solid Information and Communications Technology (ICT) and air transport infrastructure (ranked 10th and 5th, respectively). The generally supportive policy environment, ranked 8th, encourages the development of the T&T sector, while the country relies on an excellent human resources base (ranked 6th) (World Economic Forum, 2013). On a less positive note, the UK continues to receive one of the poorest assessments for price competitiveness (138th), largely because it has the 2nd highest tax rate on tickets and airport charges worldwide (World Economic Forum, 2013).

In the UK, T&T was expected to attract capital investment of £9.8bn in 2013 (World Travel & Tourism Council, 2014). This figure was predicted to rise by 5.4% in 2014, and by 3.3% per annum over the next 10 years to £14.3bn in 2024. However, T&T's share of the total national investment was predicted to fall from 4.4% in 2014 to 4.1% in 2024 (World Travel & Tourism Council, 2014). *Note: All values are in constant 2013 prices and exchange rates.* During 2012,

International Tourist Arrivals 31.2 million, 8<sup>th</sup> place in world, increased by 6.4 % and International Tourism Receipts at 40.6 billion US\$ increased by 12.1 % (United Nations World Tourism Organisation, 2014).

### **Investment Option 2 – Slovakia**

The Central Intelligence Agency (2014b) states that Slovakia's roots can be traced to the 9th century state of Great Moravia. Subsequently, the Slovaks became part of the Hungarian Kingdom, where they remained for the next 1,000 years. Following the formation of the dual Austro-Hungarian monarchy in 1867, language and education policies favouring the use of Hungarian (Magyarization) (Teich, Kováč and Brown, 2011) resulted in a strengthening of Slovak nationalism and a cultivation of cultural ties with the closely related Czechs, who were under Austrian rule. After the dissolution of the Austro-Hungarian Empire at the close of World War I, the Slovaks joined the Czechs to form Czechoslovakia. During the interwar period, Slovak nationalist leaders pushed for autonomy within Czechoslovakia, and in 1939 Slovakia became an independent state allied with Nazi Germany (Teich et al., 2011). Following World War II, Czechoslovakia was reconstituted and came under communist rule within Soviet-dominated Eastern Europe. In 1968, an invasion by Warsaw Pact troops ended the efforts of the country's leaders to liberalise communist rule and create "socialism with a human face," ushering in a period of repression known as "normalisation". The peaceful "Velvet Revolution" swept the Communist Party from power at the end of 1989 and inaugurated a return to democratic rule and a market economy (Teich et al., 2011). On 1 January 1993, the country underwent a non-violent "Velvet Divorce" into its two national components, Slovakia and the Czech Republic. Slovakia joined both NATO and the EU in the spring of 2004 and the Eurozone on 1 January 2009 (Central Intelligence Agency, 2014b).

#### *Slovakia: Economic Background*

Slovakia has seen significant economic reforms since its separation from the Czech Republic in 1993. According to the Central Intelligence Agency (2014b) after a period of relative stagnation in the early and mid-1990s, reforms to the taxation, healthcare, pension, and social welfare systems have helped Slovakia to consolidate its budget, get on track to join the EU in 2004, and to adopt the euro in January 2009 (Teich et al. (2011). Major privatisations are nearly complete; the banking sector is almost entirely in foreign hands and the government has facilitated a foreign investment boom with business friendly policies. Foreign direct investment (FDI), especially in the automotive and electronic sectors, fuelled much of the growth until 2008

(Central Intelligence Agency (2014b)). Cheap, skilled labour, low taxes, no dividend taxes, a relatively liberal labour code, and a favourable geographical location are Slovakia's main advantages for foreign investors. Economic growth has returned, following a contraction in 2009, but has remained sluggish mainly due to continued weakness in external demand (Slovak Ministry of Economics, 2014). In 2012 the government of Prime Minister Robert Fico rolled back some of Slovakia's pro-growth reforms to help shore up public finances. Corruption and slow dispute resolution remain key factors constraining economic growth (Central Intelligence Agency, 2014b).

#### *Slovakia: Travel and Tourism Background*

The direct contribution of T&T to GDP in 2013 was €1.7bn (2.3% of GDP) (World Economic Forum, 2013); this figure is forecast to rise by 4.2% to €1.8bn in 2014. Primarily, this movement reflects the economic activity generated by industries such as hotels, travel agents, airlines and other passenger transportation services (excluding commuter services). However, it also includes, for example, the activities of the restaurant and leisure industries directly supported by tourists. The direct contribution of Travel & Tourism to GDP is expected to grow by 3.3% per annum to €2.5bn (2.5% of GDP) by 2024. Travel & Tourism investment in 2013 was €0.4bn, or 2.6% of total investment (World Economic Forum, 2013). It should rise by 11.8% in 2014, and rise by 5.2% pa over the next ten years to €0.7bn in 2024 (3.4% of total) World Economic Forum (2013).

Travel & Tourism was forecast to have attracted capital investment of €0.4bn in 2013, expected to rise by 11.8% in 2014, and by 5.2% pa over the next ten years to €0.7bn in 2024 (World Economic Forum, 2013). Travel & Tourism's share of total national investment is estimated to rise from 2.8% in 2014 to 3.4% in 2024. Visitor exports generated €1.8bn (2.6% of total exports) in 2013 and were forecasted to grow by 6.9% in 2014, and by 4.2% pa, from 2014-2024, to €2.9bn in 2024 (2.4% of total). (World Economic Forum, 2013). *Note: All values are in constant 2013 prices and exchange rates.*

#### **Investment Option 3 - Serbia**

According to the Central Intelligence Agency (2014c), the Kingdom of Serbs, Croats, and Slovenes was formed in 1918; its name was changed to Yugoslavia in 1929. Communist Partisans resisted the Axis occupation and division of Yugoslavia from 1941 to 1945 and fought nationalist opponents and collaborators as well. The military and political movement headed by

Josip Broz "Tito" (Partisans) took full control of Yugoslavia when their domestic rivals and the occupiers were defeated in 1945 (Pavlowitch, 2002). Although communists, Tito and his successors (Tito died in 1980) managed to steer their own path between the Warsaw Pact nations and the West for the next four and a half decades. In 1989, Slobodan Milosevic became president of the Republic of Serbia and his ultranationalist calls for Serbian domination led to the violent breakup of Yugoslavia along ethnic lines (British Broadcasting Corporation, 2010). In 1991, Croatia, Slovenia, and Macedonia declared independence, followed by Bosnia in 1992. The remaining republics of Serbia and Montenegro declared a new Federal Republic of Yugoslavia (FRY) in April 1992 and under Milosevic's leadership, Serbia led various military campaigns to unite ethnic Serbs in neighboring republics into a "Greater Serbia" (Pavlowitch, 2002). These actions were ultimately unsuccessful and, after international intervention, led to the signing of the Dayton Peace Accords in 1995 (Pavlowitch, 2002). Milosevic retained control over Serbia and eventually became president of the FRY in 1997.

In 1998, an ethnic Albanian insurgency in the formerly autonomous Serbian province of Kosovo provoked a Serbian counterinsurgency campaign that resulted in massacres and massive expulsions of ethnic Albanians living in Kosovo (Central Intelligence Agency, 2014c). Milosevic government's rejection of a proposed international settlement led to NATO's bombing of Serbia in the Spring of 1999 (Pavlowitch, 2002). Serbian military and police forces withdrew from Kosovo in June 1999, and the UN Security Council authorised an interim UN administration and a NATO-led security force in Kosovo (Central Intelligence Agency (2014c). FRY elections in late 2000 led to the ousting of Milosevic and the installation of democratic government. In 2003, the FRY became the State Union of Serbia and Montenegro, a loose federation of the two republics. Widespread violence predominantly targeting ethnic Serbs in Kosovo in March 2004 led to more intense calls to address Kosovo's status, and the UN began facilitating status talks in 2006 (Central Intelligence Agency (2014c). In June 2006, Montenegro seceded from the federation and declared itself an independent nation. Serbia subsequently gave notice that it was the successor state to the union of Serbia and Montenegro.

In February 2008, after nearly two years of inconclusive negotiations, Kosovo declared itself independent of Serbia - an action Serbia refuses to recognise. At Serbia's request, in October 2008, the UN General Assembly (UNGA) sought an advisory opinion from the International Court of Justice (ICJ) on whether Kosovo's unilateral declaration of independence was in accordance with international law (Central Intelligence Agency (2014c). In a ruling, which the

latter publication summarises as being considered unfavourable to Serbia, the ICJ issued an advisory opinion in July 2010; it stated that international law did not prohibit declarations of independence. In late 2010, Serbia agreed to an EU-drafted UNGA Resolution acknowledging the ICJ's decision and calling for a new round of talks between Serbia and Kosovo, this time on practical issues rather than Kosovo's status.

The Council of the European Union Press Release (2016) shows the EU-moderated Belgrade-Pristina dialogue began in March 2011 and was raised to the level of prime ministers in October 2012, with the European Union as the facilitator of this dialogue. Serbia and Kosovo signed the first agreement of principles governing the normalisation of relations between the two countries in April 2013 and they are in the process of implementing its provisions (Central Intelligence Agency, 2014c). The Swedish Presidency of the European Union Press release (2009) demonstrates Serbia's commitment to normalising economic ties with the EU, as Serbia submitted a formal application for membership of the EU. Serbian President Boris Tadić handed his country's application for EU membership to Swedish Prime Minister Fredrik Reinfeldt in Stockholm (Swedish Presidency of the European Union Press Release, 2009).

### *Economic Background*

Central Intelligence Agency (2014c) describes the Serbian economy as “transitional .. largely dominated by market forces”, before qualifying that the state sector remains significant in certain areas and many institutional reforms are needed. They state further that the economy relies on manufacturing and exports, driven largely by foreign investment. The Milosovic-era mismanagement of the economy, an extended period of international economic sanctions, civil war and the damage to Yugoslavia's infrastructure and industry during the NATO airstrikes in 1999, left the economy only half the size it was in 1990 (Central Intelligence Agency, 2014c). After the ousting of former Federal Yugoslav President Milosovic in September 2000, the Democratic Opposition of Serbia's (DOS) coalition government implemented stabilisation measures and embarked on a market reform programme (Central Intelligence Agency, 2014c).

After renewing its membership in the International Monetary Fund (IMF) in December 2000 (World Bank, 2015a), Serbia continued to reintegrate into the international community by rejoining the World Bank (IBRD) and the European Bank for Reconstruction and Development (EBRD) (World Bank, 2015a). Serbia has made progress in trade liberalisation and enterprise restructuring and privatisation, but many large enterprises - including the power utilities,

telecommunications company, natural gas company, and others - remain in state hands (World Bank, 2015a).

Serbia has made some progress towards EU membership, signing a Stabilization and Association Agreement with Brussels in May 2008, and with full implementation of the Interim Trade Agreement with the EU in February 2010, it gained candidate status in March 2012 (World Bank, 2015a). In January 2014, Serbia's EU accession talks opened officially. Serbia's negotiations with the World Trade Organization are advanced, with the country's complete ban on the trade and cultivation of agricultural biotechnology products representing the primary remaining obstacle to accession. Serbia's programme with the IMF was frozen in early 2012 because the 2012 budget approved by parliament deviated from the program parameters; the arrangement is now void. However, an IMF mission visited Serbia in February 2014 to initiate discussions with Serbian authorities on a possible new IMF arrangement and these talks will continue following the formation of the new government. High unemployment and stagnant household incomes are ongoing political and economic problems (World Bank (2015b)).

Structural economic reforms that are needed to ensure the country's long-term prosperity have largely stalled since the onset of the global financial crisis. Growing budget deficits constrain the use of stimulus efforts to revive the economy and contribute to growing concern of a public debt crisis, given that Serbia's total public debt as a share of GDP doubled between 2008 and 2013 (World Bank, 2015b). Serbia's concerns about inflation and exchange-rate stability may preclude the use of expansionary monetary policy. During the recent election campaign, the victorious Slovak National Party (also known as Slovenská Národná Strana or SNS) promised comprehensive economic reform during the first half of 2014 to address issues with the fiscal deficit, state-owned enterprises, the labour market, construction permits, bankruptcy and privatisation, and other areas (Central Intelligence Agency, 2014c). The Central Intelligence Agency (2014c) identify major challenges ahead including: high unemployment rates and the need for job creation; high government expenditures for salaries, pensions, healthcare, and unemployment benefits; a growing need for new government borrowing; rising public and private foreign debt; attracting new foreign direct investment; and getting the IMF programme back on track. Other serious longer-term challenges include an inefficient judicial system, high levels of corruption, and an ageing population. Factors favourable to Serbia's economic growth include its strategic location, a relatively inexpensive and skilled labour force, and free trade

agreements with the EU, Russia, Turkey, and countries that are members of the Central European Free Trade Agreement (CEFTA) (Central Intelligence Agency, 2014c).

### *Travel and Tourism Background*

After a decade of war and subsequent political crises the country is now rebuilding its Travel & Tourism economy, which accounts for 5.3% of total GDP and supports 80,100 jobs or 6% of total formal employment (World Bank, 2015b); yet, its full potential as a tourist destination remains unexploited. Reconciling its central location and abundant natural and cultural resources together with a supportive regulatory, legal and business framework will help Serbia develop its tourism product into one with wide appeal for new target markets. Economic impact analysis conducted by the World Travel & Tourism Council (WTTC) and its research partner, Oxford Economics, shows that if Serbian Travel & Tourism continues to grow as predicted, by 2023 it will provide a 6.8% total contribution to GDP and 7.7% total contribution to formal employment; however, Serbia could do even better than this if the country manages to address some of the challenges that are highlighted (World Economic Forum, 2013).

The recently elected Government understands the value of tourism – it will no doubt wish to develop a clear vision for the sector and ensure that implementation is just as swift and effective. In the past, challenges have arisen when new elections were called. Now is the time to identify priorities, plan action and implement new policies lasting far beyond the party line or any political bias. This is the only way in which the Government will gain the much-needed trust of the industry and build a better tourism future for the country. Thus, accountability and ownership sit at the heart of tourism development in Serbia and will be encouraged by stringent performance management and quality controls.

Serbia has been battling with a negative international image and a poor perception for many years, mostly as a consequence of the war (British Broadcasting Corporation, 2009; 2010; 2014); however, in the new millennium, perceptions have started to shift. Whereas in the past Serbians might have travelled outside of Serbia for their holidays, now Serbian citizens appear to have regained a positive confidence and pride in their country and there are opportunities to capitalise on increasing domestic trips within Serbia. Domestic spending by Serbian residents and businesses accounts for 40.5% of total tourism spending. Money spent within Serbia by both international and domestic visitors and by Government has also risen steadily in the last decade (World Travel and Tourism Council, 2013). This growth is forecast to continue, and by 2023, the

WTTC forecasts the level of internal tourism expenditure to reach a level of RSD 446.8 billion (Serbian Dinar)(US\$4.4 billion) (World Travel & Tourism Council, 2014). *Note: All values are in constant 2013 prices and exchange rates.* Despite the fact that an estimated 765,000 foreign tourists visited Serbia in 2011, compared with 1.3 million domestic residents taking overnight trips, it is the international tourism that contributed more than half (58.6%) of total internal tourism spending in 2011. This spend far exceeded the Eastern European average of 46.6% in the same year; foreign visitors tend to exhibit higher average spending levels while on a trip, often choosing to stay in more expensive types of accommodation (World Travel & Tourism Council, 2014).

Serbia has been accelerating its EU accession-country candidacy status (World Bank, 2015a). There are many priorities to consider in that context and it is important that Travel & Tourism is factored in as it can support and benefit from much needed reforms. Obvious examples include the labour law, and tax and fiscal systems, where Serbia needs to take a more progressive view. This change is important for domestic tourism businesses, but also should ensure the country attracts its fair share of inward investment from foreigners (Central Intelligence Agency, 2014c). On this point, overall investment in Travel & Tourism accounted for 3.8% of total economy investment in 2011, RSD 2.2 billion (US\$0.3 billion), well below the world average of 4.7%, and significantly lower than that of neighbouring countries, particularly Montenegro (World Travel & Tourism Council, 2014). *Note: All values are in constant 2013 prices and exchange rates.* Attracting greater levels of inward investment could provide a significant boost for the Travel & Tourism industry in Serbia.

Travel & Tourism's contribution to investment is significantly larger than the industry's contribution to GDP, however. This is a positive sign for future growth indicating an increase in supply-side capacity and providing a tourism product that should be able to meet evolving demand (World Bank (2015b).

In 2011, Travel & Tourism contributed directly 1.8% of Serbia's GDP and accounted for 32,100 jobs, representing 2.4% of total employment. Taking the wider impact of the sector into account, Travel & Tourism contributed 5.4% of GDP and 80,100 jobs in 2011 (6% of total employment) (World Bank, 2015b). Furthermore, over the next 10 years, and with the right policies in place, Travel & Tourism in Serbia is forecast to achieve growth of 4.8% per annum, in terms of its contribution to GDP compared to 4.5% per annum growth in Travel & Tourism in Eastern

Europe and 4.3% in the world as a whole. This would take the total contribution of Travel & Tourism in Serbia to GDP to 6.8% of the economy in 2023 (World Economic Forum, 2013).

Capital investment in Travel & Tourism includes private sector investment in hotels and other types of accommodation, transportation equipment, buildings and equipment for the purposes of recreational tourism, et al; it also includes investment by government in public travel and tourism provision. However, the Travel & Tourism's contribution to investment is significantly larger than the industry's contribution to GDP (World Bank, 2015a). This points to a positive sign for future growth indicating an increase in supply-side capacity and providing a tourism product that should be able to meet evolving demand. Over the decade ahead, investment in Travel & Tourism in Serbia is forecast to reach RSD 51.3 billion (US\$0.5 billion) by 2023. *Note: All values are in constant 2013 prices and exchange rates.* Annual average growth during this period at 2.0% per annum in constant prices remains significantly below the world average (United Nations World Tourism Organization, 2014).

Travel & Tourism investment in 2013 was RSD 26.7 billion, or 4.1% of total investment. It was predicted to rise by 4.0% in 2014, and by 1.6% pa over the next 10 years to 32.6 billion in 2024 (3.6% of total) (World Economic Forum, 2013).

Tables 1- 4 summarise the statistics associated with the case as follows:

- Table 1 Travel and Tourism Index Indicators
- Table 2 Economic Indicators
- Table 3 Travel and Tourism Indicators
- Table 4 International Tourism Statistics

Table 1 Travel and Tourism Index Indicators

Country	TTCI 2013	Overall Rank 2013/140	Regional Rank 2013/42	Overall Rank 2011/139	T&T regulatory framework subindex regional rank 2013	T&T regulatory framework subindex score 2013	Business environment and infrastructure rank 2013	Business environment and infrastructure score 2013	T&T human, cultural and natural resources rank 2013	T&T human, cultural and natural resources score 2013
United Kingdom	5.38	5	5	7	17	5.44	10	5.13	3	5.57
Slovak Republic	4.32	54	32	54	43	4.96	60	3.92	55	4.06
Serbia	3.78	89	40	82	74	4.50	81	3.40	109	3.45

Source: Blanke and Chiesa (2013), pp. xvi; xviii.

Table 2 Economic Indicators

Country	Population (millions) 2011	Surface area (1,000 square kilometres) 2011	Gross domestic product (current US\$ billions), 2011	Gross domestic product (current PPP, \$) per capita, 2011	Real GDP growth % 2011	Environmental Performance Index 2012, rank (out of 132 economies), 2011
United Kingdom	65.3	243.6	2,431.3	36,521.6	0.8	9
Slovak Republic	5.6	49.0	96.1	23,303.5	3.3	12
Serbia	10.2	88.4	43.3	10,409.3	1.6	103

Source: Blanke and Chiesa (2013), p. 306; p. 314; p. 350.

Key: PPP - Purchasing Power Parity

Table 3 Travel and Tourism Indicators

Country	T&T industry GDP (US\$ millions) 2012 estimates		T&T industry employment (1,000 jobs) 2012 estimates		T&T economy GDP (US\$ millions) 2012 estimates		T&T economy employment (1,000 jobs) 2012 estimates		Capital investment T&T 2013 in local currency
	Absolute value	% of total	Absolute value	% of total	Absolute value	% of total	Absolute value	% of total	
United Kingdom	56,859.5	2.3	954.6	3.1	163,360	6.7	2,315	7.4	£9.8bn
Slovak Republic	2,224.8	2.3	55.1	2.4	5,681	5.9	133	5.7	€0.4bn
Serbia	819.4	1.7	26.6	1.6	2,974	6.2	97	5.7	RSD26.7bn

Source: Blanke and Chiesa (2013), p. 306; p. 314; p. 350.

Table 4 International Tourism Statistics

Country	International Tourist Arrivals (in thousands)				International Tourism Receipts (US\$ million)					
	2010	2011	2012	2013	Share (%)	2010	2011	2012	2013	Share (%)
Europe	484,842	516,020	534,376	563,441	100	411,361	464,733	454,047	489,253	100
United Kingdom	28,296	29,306	29,282	31,169	5.5	32,401	35,069	36,228	40,597	8.3
Slovak Republic	1,327	1,460	1,528	1,653	0.3	2,233	2,429	2,299	2,556	0.5
Serbia	683	764	810	922	0.2	798	992	906	1,053	0.2

Source: Source: Blanke and Chiesa (2013), pp. p. 306; p. 314; p. 350.

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### Questions and Activities

1. Identify the externalities affecting the decision of the Russian investor. Provide evidence to support all of your decisions.
2. Evaluate the investment potential of the three countries using, and updating from current sources, the data in the summary tables above. Which factors/key figures would you consider in addition to the data in order to make a more informed decision? Make sure you can justify your choice to the investor with concrete evidence.
3. Taking into consideration political, legal and economic externalities, decide which investment would be the safest in terms of the impact of these externalities, taking into account the potential risks associated with low profitability. Additionally consider

which choice would be best if the investor needed to transfer the money out of the country at short notice.

4. Which type of tourism business/businesses would you recommend for development in your chosen country? Justify your choices. For example, would you recommend investment in:

Accommodation: Bed & Breakfasts; Inns; Resorts; Lodges; Cabins; Guest Ranches/houses; Hotels; Motels; or Camping.

Transportation: Buses; Rental Cars; Charter Boats; Ferries; Water Taxis; Motorhomes; Rail; or Airlines.

Attractions: Museums; Cultural Centres; Art Galleries; Theme Parks; Country Parks; or Local Businesses,

Tour Operation: Adventure; Cruises; Fishing Tours; Local Sightseeing Tours;

Corporate Planning: Destination Management; Convention Services; or Events?

### **Recommended Reading**

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## Part 3

### **Points for Discussion**



## **Part 1 Non-revealed Case Studies**

### **Selfie Stick – should it be regulated?**

by Libena Jarolimkova

#### **Points for Discussion**

- Do you take photos during your travels? If so, do you take selfies? Do you use a selfie stick?
- Have you encountered any selfie stick regulations? If yes, what is your opinion on them?
- What other aspects of photographers' behaviour do you find inappropriate while travelling?

### **Travelling on the Wrong Date...**

by Daniela Matušíková

#### **Points for Discussion**

- Personal internet booking, checking and check-in procedures
- Financial issues when travelling
- Confirmation by airlines
- Use of numbers versus words when entering months

### **Communication Barrier**

by Daniela Matušíková and Anna Šenková

#### **Points for Discussion**

- Importance of practical training
- Communication barriers' implications
- Employee training process

### **Assessing the Role of Employee Training for Hotel Sustainability Development**

by Marius Brazdauskas and Lina Žirnelė

#### **Points for Discussion**

- Other formats and methods might be adopted to promote staff training for advancing hotel sustainability
- Other ways and methods to advance self-directed learning

- New learning-oriented innovations that might be appropriate to employees' learning about new sustainability issues?

### **Promoting the Motivation of Green Teams for Developing Sustainable Hotels: the Role of a Shared Vision**

by **Marius Brazdauskas**

#### **Points for Discussion**

- Creating a shared sustainability-inspired vision
- Communicating and promoting sustainability-inspired vision among existing and new employees

### **Creative Products in Tourism**

by **Anna Šenková and Daniela Matušíková**

#### **Points for Discussion**

- Creative tourism fundamentals
- Developmental issues
- New trends in tourism sphere

### **Tragedy in the Tatras**

by **Aivars Kalnins**

#### **Points for Discussion**

- General responsibilities of a tour guide.
- Correct sequence of actions for tour leaders-guides at each and every stage of mountain trekking or other similar activities.
- Content of instructions drafted by tour organisers
- Training for tour leaders- guides
- Client safety issues
- Methodological instructions for guides and clients
- Standards for tour organisation for all types of tours to be drafted by the Association of Travel Agents and Tour Operators.

## **Conflict in the Apartment Complex** by Nikola Atlagić and Marija Knežević

### **Points for Discussion**

- Contacts with booking agents
- Guest management issues
- Managing on-line guest comments

## **Customer Service Standards and Strategies** by Sheree Anne O'Neill

### **Points for Discussion**

- Importance of customer service in the tourism industry
- Importance of effective communication in the tourism industry
- Importance of having established service standards and strategies
- Value of staff training, in delivering an exceptional customer service experience
- Resolution/problem solving strategies in a tourism context

## **Part 2i Revealed Case Studies**

### **Seasonal Hotel Management by an Expatriate: challenges and surprises** by Amir Chamae

#### **(i) Coffee Bar Z**

##### **Points for Discussion**

- Neighbourly relations
- Coordination
- Negotiation and communication skills when dealing with local authorities
- Knowledge of the law

#### **(ii) Cultural Differences**

##### **Points for Discussion**

- Employee's incompetence
- Knowledge of cultural differences
- Supervision and training
- Human resources and organisational development issues

**(iii) Cooperation with Suppliers**

**Points for Discussion**

- Potential negative consequences
- Communication methods with suppliers
- Operations' management - control of operations that converts resources into desired goods and services

**(iv) Crisis Management**

**Points for Discussion**

- Crisis management plan
- Coordination with outside organisations and agencies
- Pre-planned administrative support
- Temporary protection

**(v) The Escapees**

**Points for Discussion**

- Security checks
- Methods of payment
- Reservation/hotel policies
- Operational procedures

**Switzerland is More Expensive from the 15<sup>th</sup> January 2015**

by Zuzana Kvitkova

**Points for Discussion**

- Seasonal impact on the Swiss hotel business.
- Competitive strategies for the hotels without discounting.
- Possible reaction and consequences for Swiss inbound and outbound travel agents.
- Protection from exchange rate movements for EU tour operators offering holidays in Switzerland

## **I'm Forever Blowing Bubbles: Dark Tourism and Sport** by Neil Robinson and Crispin Dale

### **Points for Discussion**

- Ethics of dark tourism
- Motivations for visiting dark tourism sporting sites
- Sporting sites used for dark tourism commemoration

## **Neutralising Workplace Bullying in the Hospitality Industry** by Matthew H. T. Yap, Elizabeth M. Ineson and Ioanna Karanikola

### **Points for Discussion**

- Causes and consequences of WB
- Leadership and management styles
- Cultural dimensions in China and her territories
- Talent management and diversity management
- WB preventative methods
- Perspectives of the victim and the perpetrator

## **Business Case of Emotional Intelligence at the Workplace** by Wolf Magnus Gerstkamp and Detlev Remy

### **Points for Discussion**

- Successful development of EI.
- Importance of EI at the executive level

## **Thankfully *Big Brother* was Watching that Day: The Europa Hotel, Belfast – the world's most bombed hotel** by Robert A. Clark

### **Points for Discussion**

- Benefits and disadvantages of CCTV for the tourism industry. Do the advantages of CCTV outweigh the disadvantages?
- Evidence to illustrate that the tourism industry can quickly bounce back from most kinds of major setbacks – give examples
- As a guest or an employee in a hotel, if you witnessed someone behaving in a suspicious manner, how you would react to the situation? Consider and weigh up the options for dealing with such an incident.

## **Educational tourism – Which factors might influence students' decisions to study abroad?**

by **Andrea Szőke**

### **Points for Discussion**

- Discuss the benefits associated with educational tourism
  - a. for students.
  - b. for the host institution.
  - c. for the host country.
  - d. for the home country.
- Discuss the similarities and differences between the programmes offered for non-native speaking and local speaking students.

## **Part 2ii Further Revealed Case Studies**

### **Development of Gastronomy Tours**

by **Kateryna Fedosova and Anastasia Sorokina**

#### **Points for Discussion**

- Importance of the role of gastronomy tourism for rural development
- Connection between the Slow Food Movement (<http://www.slowfood.com/>) and gastronomy tourism

### **Dishes in Authentic Hospitality Facilities and their Role in the Development of Tourism**

by **Bojana Kalenjuk and Dragan Tešanović**

#### **Points for Discussion**

- Authentic hospitality establishments
- Food offering
- Domestic/local dishes
- National/regional dishes
- International dishes

## **Economic Impact of Cruise Tourism: Exploring Newfoundland**

**Roselyne N. Okech**

### **Points for Discussion**

- Role of cruise tourism in community empowerment
- Impact of local attractions, such as museums, on cruise ship visitors who spend just a few hours in the area
- Socio-cultural and economic impacts of cruise tourism

## **Measuring Guest Satisfaction in Hotel Tetra**

**by Maja Uran Maravić, Gordana Ivanković, Mateja Jerman and Tanja Planinc**

### **Points for Discussion**

- Ways in which methods for measuring guest satisfaction have changed in recent years.
- Processing the information from guest satisfaction surveys

## **Public Transport Information Provision and Intelligent Transport Systems Applications: the Case of Budapest**

**by Eszter Benke**

### **Points for Discussion**

- Ways in which governmental organisations and tourist authorities can make public transport more appealing to non-users
- Reasons why tourists decide to use public transport instead of other forms of transportation
- Relationship between tourists' potential use of public transportation and (a) different tour types and (b) different attractions
- Reasons why non-users of public transport are distracted by the services. Identify ways of eliminating the negative factors that drive people away from using public transport
- Efficiency of different types of graphic and written input applied for directional and informational signs
- Further forms of information provision that are popular in other destinations that could be introduced in a city
- Ways in which human resources may provide additional value to the intelligent information systems to better meet customers' needs
- Further environmentally-friendly forms of transport that have great potential in the tourism industry in the near future

## **Lives Undercover: Chinese Lesbian and Gay Cinema Event** by Mac McCarthy and Phyllis Yongpei Li

### **Points for Discussion**

- Consider the benefits and difficulties of implementing an event for minority groups.
- Compare the hands-on approach to managing events involving volunteers with a more relaxed approach, as advocated by Alice.
- How can empowerment be managed effectively?

## **An Exploration of the Impact that Externalities have on Investments in the Travel and Tourism Sector in Europe** by Sabina Fuller

### **Points for Discussion**

- If this was a different industry or sector, what other externalities could be involved?
- How do you think organisations could limit the impact of externalities?



This book offers a range of cases written by specialists from industry and academia, who have drawn on their knowledge and experiences to offer problem solving exercises and activities in hospitality, tourism and event management. Although reference is made to specific national settings, some of the problems may be transposed to other locations and so offer management students and trainees a wide range of opportunities for interactive learning.

Each case concludes with a series of questions for students and trainees and/or ideas for associated activities. In addition to references, recommendations for further reading and links to websites are provided as appropriate. Furthermore, for the guidance of teachers, trainers, students, trainees and managers, the authors have indicated points for discussion and suggested follow-up activities relevant to the scenarios.

The cases may be used for individual, group or team exercises and offer students and trainees who aspire to hospitality, tourism or event management careers opportunities for considering, debating, analysing and evaluating real and simulated scenarios set in various international locations.

*“As with previous editions, Volume 7 provides a number of rich case studies drawn from a variety of operational and theoretical contexts; the cases present and examine very diverse challenges and issues within the hospitality, tourism and event sectors. Guided by a facilitator, management students and trainees can use these case studies to further their understanding and knowledge of the complex and dynamic nature of the industry and so be better prepared to respond to both typical and unexpected situations in their places of work, as well as within the wider industry environment. In my role as an educator and trainer, my preference is to use such case studies as a valuable delivery resource to support experiential learning and industry-focused delivery within an educational or work place environment. The contributors and editors can only be commended for another excellent addition to this international case study series.”*

**Christopher Mitchell BSc MSc MA PGCE SFHEA MIH  
Senior Learning & Teaching Fellow, Manchester  
Metropolitan University, UK.**

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