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Content / Kazalo

The mechanism for spreading online reputation

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Abstract

Acquiring a good reputation and being able to convey to an audience the good image of a company or a destination is a vital issue in today's virtual world. The quality of what is transmitted and the influence of social networks through which the promotional or marketing messages are spread are the major elements at play. This work examines the second issue: how messages are spread over a social network. Through a series of numerical simulations this paper highlights the main factors affecting the diffusion of information in a social networked group and clarifies the role played by different actors with respect to the influence and importance of their position in the network.

Keywords: online reputation, social networks, information diffusion

1 Introduction and background

Since the dawn of the Internet and over the course of the history of the Web, one of the major issues for all those wishing to *play the game* has been one of visibility accompanied by the wish (or need) to satisfy users in order to increase awareness of one's own online presence and convert this awareness into higher returns (usually measured in terms of image, revenue, number of visitors).

In the first phase (which can be identified by what is known as Web 1.0) the focus of researchers and practitioners was on the intrinsic attributes of the online presence (the website) and on its position on the part of the tools provided to search and access the Network (search engines). It was an era characterized by a wealth of publications, scholarly and otherwise, dealing with the evaluation of the different aspects of a website such as structure, content, usability, usefulness (see for example Ilfeld & Winer, 2002; Law et al., 2010; Mich et al., 2003; Morrison et al., 2004; Park & Gretzel, 2007) and with the importance and the requirements for a good level of popularity and ranking on the result pages of the most widely used search engines (see for example Bifet et al., 2005; Green, 2003; Sen, 2005).

Today the visibility issue has assumed a different meaning. In a cyberspace strongly characterized and influenced by all those technologies and functionalities collectively known as Web 2.0, the problem is how to exploit the growing trend of online socialization. Probably it is too early to try to find sound methods to derive monetary advantages, but the current virtual environment is more than suitable for use as a means to propagate the image and the reputation (good or bad) of all companies, organizations or individuals which, in a way or another, make use of electronic media.

In trying to understand the basic mechanisms that rule this phenomenon, one can find instruction from the most recent studies on complex networked systems. In fact, the spreading of ideas, opinions and news has been extensively examined and found to be highly dependent upon the structural features of the networks which serve as a medium (Barrat et al., 2008; da Fontoura Costa et al., 2011; Newman, 2010). It is thus possible to find a broad set of work popularizing the network analysis concepts in an attempt to find the best possible ways for increasing the speed and extent of the spread of information which is the final objective. One point that is made by many is the role and the importance the most *influential* elements in the networks considered (blogs, online social networking sites, file sharing sites etc.). These, as network science has shown, are the better connected members in a social network and play a significant role in all diffusion processes (Galeotti & Goyal, 2009; Watts & Dodds, 2007; Ziegler & Lausen, 2005).

Two issues are important here. The first one concerns the determinants that make a network element (normally an individual) *influential*. There is good literature available on this very topic. Both scientific works and popular articles discuss in detail the main factors that assign this status. The most cited elements are type and frequency of activity on the online social networks (OSNs), quality and diversification of the contributions (Huffaker, 2010; Pulizzi, 2011; Trusov et al., 2010; van Eck et al., 2011) and even the time of day (Zarrella, 2011). Obviously, a number of tools have been made available online based on these elements which have the objective of identifying the opinion leaders (Stratmann, 2010).

The second issue concerns the role of the network position of the influentials, the quantity and the quality of their connections to other members of the network. The idea, as expressed by Hinz et al. (2011, 30) is that: "*marketers should pick highly connected persons as initial seeds if they hope to generate awareness or encourage transactions through their viral marketing campaigns since these hubs promise a wider spread of the viral message*". The social graph is thus examined and possible measures which could give such hints are calculated. In network science these measures are well known as centrality metrics (Newman, 2010). A number of them exist and a number of studies have pointed out characteristics, roles and importance in the different possible topological structures which can be exhibited by a network.

The aim of this contribution is to examine this latter issue and assess the characteristics of a dynamic diffusion process when initiated from influential nodes in a complex network as opposed to what happens when randomly chosen nodes are the starting points (seeds) for the process. A series of simulations highlights these characteristics and show the differences found in terms of efficiency and effectiveness.

The paper is organized as follows. The following section presents a short discussion of the diffusion mechanisms, and then the methods and the materials used are described. A further section contains and discusses the results, and the last one reports on concluding remarks and indications for future research.

2 Diffusion mechanisms

The most commonly used ways for modeling the flow of information or ideas through a network are based on an analogy with the diffusion of a disease (Bailey, 1975; Hethcote, 2000). The analogy is clear: a sick individual infects some other individual with whom a connection (contact) exists, in the same way that a knowledgeable individual is able to transfer information or communicate ideas to some other member of the network.

A long tradition of epidemiology studies has dealt with the issue of describing the spread of a disease in a population of living organisms. From Daniel Bernoulli's analysis of smallpox at the end of 18th century, mathematical modeling and numerical simulations have helped in the study of the effects of bacterial, parasitic and viral pathogens infections and suggested possible countermeasures.

The mathematical models used are based on the cycle of infection in an individual. The 'host' is first considered susceptible (S) to the disease. Then, if exposed to the infection it becomes infected (I) and is considered infectious for a certain period of time. Finally, the individual can recover (R) by acquiring some immunity or by being 'removed' from the population. These basic elements (along with some possible variations) are used to characterize the different models which are identified by the initials of the types of infection considered. Therefore, we have SI models, in which hosts can be only susceptible or infected; SIS models in which they go through a complete cycle: susceptible, infected, then susceptible again; and SIR models which consider susceptible individuals that are infected and end their process by being removed (i.e.: immunized or eliminated from the initial population). Again the analogy with knowledge flow though a destination network is clear - stakeholders may be susceptible to receiving new knowledge, but until they are 'infected' knowledge transfer does not take place.

The SIS model, among these, looks quite suitable to describe the diffusion of information in a social network. In this, actors are ready (susceptible) to acquire the information transmitted; when they come into contact with an *infected* individual they accept the information with a certain probability which may represent the attitude or the willingness the actor has to accept the information; at the same time, an infected element, with a certain probability, *forgets* what has been accepted in a previous exchange and becomes susceptible again.

The mathematical treatment has much in common with the one used to describe the percolation phenomenon (the diffusion of a fluid through a porous medium). The curves describing the results of the infection are mostly s-shaped curves belonging to the family of logistic curves, and are in many cases similar to those representing the growth of a population. Traditionally, all epidemic models have assumed homogeneous mixing: i.e. all individuals are equally able to infect all others, and have taken into account a random distribution of the contacts between individuals that are responsible for the infection (diseases spread through some kind of contact between the population elements). In some cases the models are refined by making assumptions about the population affected: e.g. the way the hosts react to the infection, recover from the disease or are removed from the population. Normally the process is ruled by a critical parameter representing the combined probability of infection and recovery. This is the so-called basic reproduction number (or coefficient, ratio) R_0 = [probability to be infected / probability to recover guides the process].

When $R_0<1$ no disease is spread and the infection dies out, when $R_0=0$ the infection is endemic and when $R_0>1$ we have an epidemic diffusion which can span across the whole population.

Individuals in a population can be represented as nodes of a network in which the contacts between them constitute the links. Recent advances in the study of complex networks have allowed a reconsideration of epidemic diffusion models in order to take into account the effects of non-homogeneous topologies exhibited by many network (Grönlund & Holme, 2005; Kuperman & Abramson, 2001; Pastor-Satorras & Vespignani, 2001). These effects are quite important. For example, it has been known for a long time that epidemiological models show clearly defined threshold conditions for the spread of an infection. This threshold depends on the density of the connections between the different elements of the network. However, this condition is valid only if the link distribution is of a random nature, while in some of the structured, non-homogeneous networks that make up the majority of real systems, this threshold has been shown to be non-existent; in other words, once initiated, the diffusion process unfolds over the whole network (López-Pintado, 2008; Pastor-Satorras & Vespignani, 2001).

The formulation of an epidemiological model leads to the layout of a system of differential equations which can be, at times, difficult to deal with. In the last few years however, the availability of accessible computational tools, (both hardware and software) has fostered the development and the usage of numeric simulation models.

3 Data and methods

The best way to test our question would be to perform a series of experiments by initiating the diffusion of a piece of information on an OSN both by a randomly chosen individual and by an influential member of the community and compare the results in terms of speed and extent of diffusion. Rather obviously such experiments are quite difficult, if not impossible, to be performed (at least from a practical point of view). Fortunately, a numerical simulation, when conducted according to the most rigorous methodologies (Axelrod, 2006; Garson, 2009; Mollona, 2008), can provide results with a comparable reliability.

In the study of complex networks, the *importance* of a node (an actor in a social network) is traditionally assessed by measuring its centrality. Several metrics have been proposed for this assessment, they take into account different structural characteristics and therefore have different interpretations in a social setting; they are all based on the analysis of the patterns with which connections between nodes are distributed. The most known and widely used are (for formal definitions and formulas see (da Fontoura Costa et al., 2007; Newman, 2010):

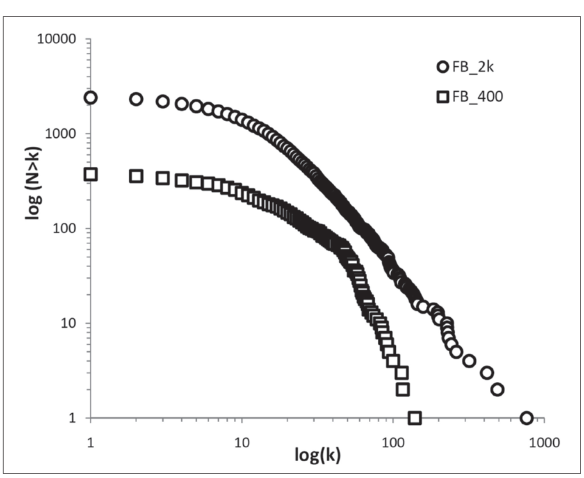
- *degree*: the number of direct connections to the immediate neighbors of the node;
- *closeness*: the average distance to all other nodes in the network;
- *betweenness*: the frequency with which a node falls between all unordered pairs of other nodes on the shortest paths connecting them;
- *eigenvector*: calculated by using the matrix representation of a network and based on the idea that a relationship to a more interconnected node contributes to the own centrality to a greater extent than a relationship to a less well interconnected node;
- *PageRank*: similar to the eigenvector, is based on the idea that the centrality of a node is a function of the centralities of all nodes connected to it. In this case, following Gneiser et al. (2011) a symmetrized version of the metric was used in order to take into account the symmetric nature of the links in a social network ;
- *Katz score*: the affinity between nodes measured as a weighted sum of the number of paths between them.

These metrics can represent different meanings of importance. An actor can be important if she has many connections (friends) or can quickly reach all other actors in the network (closeness) or is a bridge or information broker between different parts of the network (betweenness). Moreover the actor's importance can be greater if the connections are set, even indirectly, towards the other most important elements of the network (eigenvector, PageRank or Katz score).

In order to have a realistic environment for the simulations, Facebook was chosen as testbed. Since the privacy settings of the platform do not allow indiscriminate extractions, ten users volunteered to provide the data of their friendship networks. These were extracted with the help of NameGenWeb, a Facebook application for downloading social network data (Hogan, 2008). The program queries the Facebook API (Application Program Interface) for the list of the friends of an individual along with their ties to each other. Data are then saved in a format usable by other network analysis programs.

The number of nodes of the networks collected range from 372 to 2220. The analysis of their structures show a good similarity with those reported in the literature by wider studies conducted on Facebook and other similar platforms (Kumar et al., 2010; Pallis et al., 2011). As an example, Figure 1 shows the cumulative degree distributions of the smallest and the largest networks examined. The curves are compatible with a long-tail distribution and their main part follows well a power-law behavior typical of many complex networks. The initial curved portion (at low degrees) is again typical of networks with finite limited size (Newman, 2010).

Fig. 1: *Cumulative degree distributions (log-log plot) of the smallest (FB_400) and the largest (FB_2k) networks examined. The networks have 372 and 2220 nodes.*



The networks are relatively well connected, the average size of their largest component is of about 95% (for the simulations these largest components were used). The centrality metrics described above were calculated for all networks, and the results were normalized (values were divided by the number of nodes – 1).

Given the different meanings of importance expressed by the different metrics, no single parameter can give a full representation of the importance of an actor in a social network. In order to overcome this issue a synthetic general measure was calculated, for each node, as the geometric mean of the centrality metrics. An aggregate measure has shown (see for example (Cooper et al., 2009) to be a good indicator in cases such as the one examined here and can be used as a good indicator for our purposes.

The overall simulation was performed according to the following scheme:

- one or more nodes (the initial seeds) are selected as initiators of the *infective* diffusion;
- at each time step the nearest neighbors of an *sick* node are infected with probability p_i;
- at the same time, a sick node recovers and becomes susceptible again with probability p_s.

The probabilities used in the simulations are $p_i = 0.035$, $p_s = 0.03$, therefore we have $R_0 > 1$ and the diffusion is epidemic, i.e. it will reach the whole population.

Three types of simulations were run. In the first one a single starting node is selected randomly, in the second three nodes were selected randomly, in the third the three nodes with the highest importance (calculated as described above) were chosen as initial points for the diffusion process.

The output is the number of nodes infected at each time step. The simulations were run ten times for each network and all results were averaged.

4 Results and discussion

The results of the simulation runs are shown in Figure 2 and 3. The first one reports the cumulative number (averaged) of individuals who have accepted the information transmitted. The difference between the three simulations is clear and the curves unmistakably show that choosing more seeds among the best connected elements of the network increases the speed and the overall efficiency of the diffusion process.

Fig. 2: *Cumulative number of informed individuals averaged over all networks and all simulation runs as function of time for the different seeding choices: 1 Rnd = one random, 3 Rnd = three random, 3 Top = three most important nodes.*

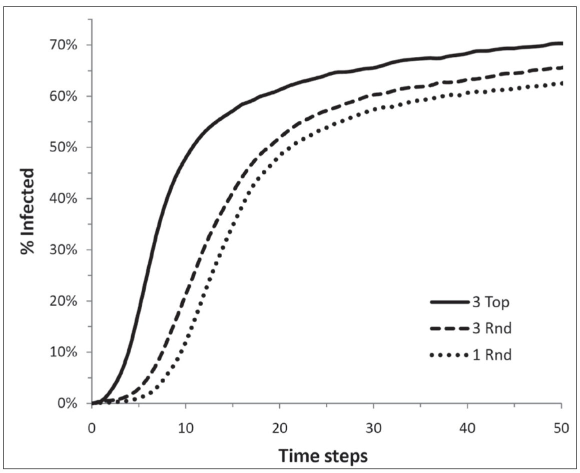
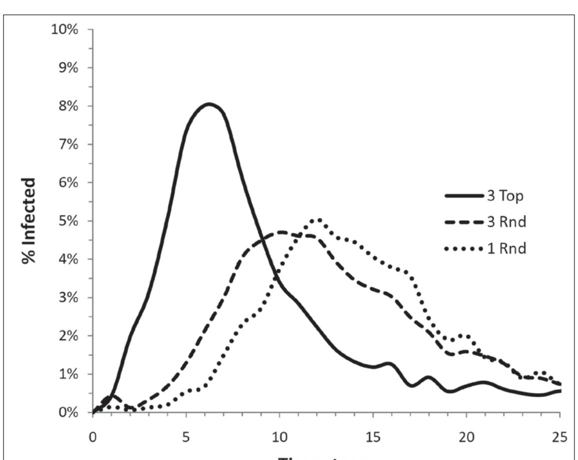


Fig. 3: *Number of informed individuals averaged over all networks and all simulation runs as function of time for the different seeding choices: 1 Rnd = one random, 3 Rnd = three random, 3 Top = three most important nodes.*



Examining Figure 3, which shows the differential diffusion curves, it is possible to measure the difference in time (speed of diffusion) and the height (extent of diffusion) of the peaks. The difference in timing between 3 using a single random seed (1 Rnd) and three random initial points (3 Rnd) is of about 20% and that between the start from the three most important nodes (3 Top) and three random (3 Rnd) reaches 67%. While the heights of the curves are relatively equal for the random choice (difference is of about 7%), the curve representing the three top nodes is almost 70% higher. A Kolmogorov-Smirnov test confirms that the difference between the 3 Top curve and the 3 Rnd is significant with a p-value $\ll 10^{-4}$ while the difference between the two random simulations is significant only at the 0.1 level. This result is somehow expected given the full connectedness of the networks examined. In this case, in fact, given the absence of disconnected components, the difference between choosing one or three starting points is small. These results fully confirm our initial hypothesis.

5 Concluding remarks

In a Web 2.0 world, the issues of image, reputation and trust play a crucial role for the people and the commercial organizations which actively use these technologies. Two factors determine the success in this regard. One concerns the quality of the online activity, and the capability of the entity involved to present itself as competent and reliable together with the ability to produce materials which are deemed interesting and attractive by the public. This is an issue that marketing and management experts, sociologists and psychologists have addressed and continue to study with a wealth of investigations that may guide the different actors in better understanding (and then exploiting) the current preferences, attitudes, needs and behaviors of the general online audience (see for example Fombrun & Shanley, 1990; Gotsi & Wilson, 2001; Hoffman et al., 1999; Keh & Xie, 2009; Minkiewicz et al., 2011; Walsh et al., 2009).

The second important factor concerns the role played by the structural characteristics of the network of relationships that connect the users of the various Web 2.0 environments. Recent literature in many diverse disciplines has shown that the topology of a network, the way in which the links connecting the different elements are shaped, has a decisive effect on the diffusion of information on the network. More than that, the *choice* of the starting points for the diffusion heavily affects the whole process in terms of speed, extent and efficiency (Barrat et al., 2008; da Fontoura Costa et al., 2011; Newman, 2010).

By using a series of numerical simulations, this work has highlighted these phenomena and has shown that when initiating the process from multiple well chosen elements, the diffusion is much faster and reaches a higher number of targets. The identification of the most influential nodes was been done by using purely topological considerations, i.e. the quality and the quantity of the links each network element has. These, as demonstrated in the scholarly and popular literature, are a good predictor of the perceived importance of the actors involved (Cooper et al., 2009; Ilyas & Radha, 2011; Kotowski & Boster, 2007; Watts & Dodds, 2007). Obviously, when adding to these considerations, those of more qualitative nature (examples can be found in Pulizzi, 2011; Stratmann, 2010; Zarrella, 2011), and possibly connected with a specific platform of interest, the final outcome can be tailored to the needs and wishes of the researcher or the practitioner dealing with these issues.

The results of the work presented here, even with the limitations highlighted above about the disregarding of more qualitative elements, have a general validity, mainly when it comes to the methods used. With a relatively simple model and a reasonable data collection effort it is thus possible to build a number of scenarios that can then be analyzed and valued with economic, organizational and financial considerations in order to provide the bases for a more efficient and effective promotional plan.

There is a final point to consider. The resources, the skills and the time needed to define an effective communication strategy and to control a situation with good continuity are of a magnitude that can prevent many small and medium organizations from using these techniques efficiently and effectively. A common effort in this direction is required. This can be done well by grouping a reasonable number of organizations which can, in this way, reach the *critical mass* of resources needed to assemble a common infrastructure able to provide good basis for individual decisions in these matters. The way in which this can be accomplished by balancing the necessity for cooperation and the natural (even if sometimes too heavy) competition existing in the tourism market is a topic which needs to be carefully addressed and may constitute an interesting and challenging line of research.

Mehanizmi za povečanje ugleda v svetovnem spletu

Povzetek

V današnjem virtualnem svetu je zelo pomembno, da si podjetje ali destinacija ustvari dobro ime in se zna primerno predstaviti občinstvu. Pri tem sta najpomembnejša dejavnika kvaliteta posredovanega sporočila in vplivnost socialnih spletnih omrežij, preko katerih se širi promocijsko ali marketinško sporočilo. V članku preučujemo drugi dejavnik: kako se sporočila širijo prek spletnega socialnega omrežja. S pomočjo serije numeričnih simulacij opozarjamo na najpomembnejše dejavnike, ki vplivajo na širjenje informacij v določeni skupini, združeni v spletno socialno omrežje, in pojasnimo vloge različnih akterjev glede na njihovo vplivnost in položaj, ki ga imajo v omrežju.

Ključne besede: ugled v svetovnem spletu, spletna socialna omrežja, širjenje informacij

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Quantifying seasonality in tourism: a case study of Montenegro

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Abstract

The purpose of this paper is to quantify seasonal variations in tourism and to benefit from an understanding of seasonality. The investigation was based on data regarding the number of tourist arrivals in Montenegro and the approach is based on five measures – seasonal range, coefficient of seasonal variation, seasonality ratio, seasonality indicator and the Gini coefficient. The results of quantifying show a pronounced seasonality that is constant with only negligible variations over time. There are no vital discrepancies among the results obtained using different measures. These findings suggest the following: to understand the nature of seasonality it is enough to use only one measure and there is no need for a holistic way of measuring.

Key words: seasonality, tourist arrivals, measures, Montenegro

1 Introduction

Seasonality is an essential issue of a tourism destination planning system. It has been very well documented that the overall aim is to reduce or even eliminate seasonal pressure and to smooth fluctuations in a tourism demand. In fact, one of the challenges is to achieve a balance which is as good as possible throughout the year among economic, socio-cultural and environmental objectives. Therefore, it is always significant to recognize and "control" the degree of seasonality in tourism activity.

There are many ways to express seasonality in the tourism demand. Usually, the main unit is the number of tourist arrivals per month. Sometimes other physical and financial units are used (number of tourist overnight stays, length of stay, number of departures, tourist expenditure) as well as another time units (day, week, quarter).

Using monthly data, this paper endeavours to quantify the phenomenon of seasonality in Montenegrin tourism and to show that in order to understand the nature of seasonality it is quite enough to use only one measure. For reasons of comparison, several methods and destinations are used.

Montenegro is a more or less typical summer destination and because of that very interesting for our research. The results were expected to provide important quantitative information about seasonality which could be useful for both an academic audience and above all, for those concerned with development at a strategic level.

This paper is divided into seven sections. At the outset, we state a brief introduction in order to outline some general thoughts. The next section covers the conceptual background and includes the theoretical implications of seasonality as well as some basic aspects of the seasonal pattern in Montenegrin tourism. This section also contains an overview of the formulated hypotheses. Section 3 refers to the research methodology. It encompasses a framework of the theoretical concepts used in measuring – quantifying. Five measures are presented there. This is followed by the subsequent part which examines records about tourist arrivals in Montenegro. It is very important because many of the impacts of seasonality can be understood simply by looking at the raw data. Next, the results are presented and a discussion is built up. At the end, a number of concluding comments are made.

2 Background and formulation of hypotheses

2.1 Definition of seasonality in tourism

Seasonality is identified as one of the most visible characteristics of modern tourism, and most destinations experience some kind of seasonal pattern. In general, seasonality means special annual dependence, or, more precisely "seasonality is the systematic, although not necessarily regular, intra-year movement caused by the changes of the weather, the calendar, and timing of decisions, directly or indirectly through the production and consumption decisions made by the agents of the economy. These decisions are influenced by endowments, the expectations and preferences of the agents, and the production techniques available in the economy" (Hylleberg, 1992, 4).

Among many factors affecting tourism demand (see Reece, 2010), seasonality is one of the most important. Although there is no generally accepted definition of seasonality in tourism (Koenig-Lewis & Bischoff, 2005), it could be said that there have been numerous attempts to define the seasonal concept in the tourism industry. For instance, Biedermann (2008, 41) stated that seasonality is "a prevalent characteristic in travel and tourism marked by sharp variations in demand depending on the time of the year". Then, Wall and Mathieson (2006, 57) argued that most destination areas "experience an annual cycle of activity with a peak season and an off-season which are separated by two shoulder seasons". Also, Butler (2001, 5) described seasonality in tourism "as a temporal imbalance in the phenomenon of tourism, which may be expressed in terms of dimensions of such elements as numbers of visitors, expenditure of visitors, traffic on highways and other forms of transportation, employment and admissions to attractions". Bender, Schumacher and Stein (2005, 303) stressed that seasonality "refers to the existence of unevenness or fluctuation during the course of the year, which occurs in relation to a specific season". Furthermore, "seasonality is a global tourism phenomenon caused by temporary movement of people" (Chung, 2009, 84). In addition, Cooper, Wanhill, Fletcher, Gilbert and Fyall (2008, 114) stated that "we know that within most patterns of demand in tourism, there are regular fluctuations due solely to the time of year. This phenomenon is called seasonality", which they defined as "the temporal fluctuations of tourism on a daily, weekly, monthly or annual basis" (Cooper, Wanhill, Fletcher, Gilbert & Fyall, 2008, 686). All these definitions are similar and accent oscillations in tourism. Are these oscillations strong or not? Are the oscillations constant or not? The answers to these questions give us another definition of seasonality: *seasonality in tourism is a temporal imbalance, expressed in different ways, which can be 1) strong (i.e., pronounced) and constant, 2) strong and non-constant, 3) weak and constant or 4) weak and non-constant*. It is obvious that stated definition stresses two issues: strength and dynamics of seasonality.

2.2 Causes of seasonality in tourism

There are two basic causes of tourism seasonality, the first is "natural" and the second is "institutionalized" (BarOn, 1975). Natural seasonality is a result of nature and its forces, predominantly related to the elements of weather and climate such as temperature, snow, sunlight, rainfall etc. As Koenig-Lewis and Bischoff (2005) wrote, all these natural factors "are predictable as they are relatively stable in a particular destination, and recur with only small changes".

On the other side, institutionalized seasonality is associated with legislation, religion, custom, historic conventions… and remains in the domain of people. For instance, it is very well known that school and public holidays produce institutional seasonality. The same can be said with the main religious holidays.

Beside these two basic causes, there are some additional, also important, sources of seasonality in tourism. They include social pressure, fashion, imitation, inertia, tradition etc., (see Koenig-Lewis & Bischoff, 2005) however, these are not prominent as the basic causes are.

2.3 Negative and positive effects of seasonality in tourism

According to most authors (e.g., Bender, Schumacher, & Stein, 2007, 183; Butler, 2001, 5; Holloway, Humphreys, & Davidson, 2009, 561–562; Pearce, 1989, 188; Sharpley, 2002, 17) seasonality is usually highlighted as a negative phenomenon in tourism and is treated as a weakness or a problem, not only in an economic sense, but also in a socio-cultural and ecological sense as well. The phenomenon may cause "overuse as well as under-utilization of resources and facilities" (Bender, Schumacher, & Stein, 2005, 304), and because of that, destinations are making every effort to reduce seasonality and avoid the negative effects. The potential *problems* of tourism caused by seasonality are listed below.

Some of the major *economic problems* are related to the loss of profit due to the inefficient use of resources, low returns on capital, difficulties with employment (small chances of recruiting and retaining full-time employees), a shortage of quality rooms during the main season etc. (see Koenig-Lewis & Bischoff, 2005; Chung, 2009, for discussion). Further, *socio-cultural problems* include congestion, overcrowding, significant increases in the cost of community services, noise, increased crime due to a higher number of people, the need for extra police, sanitary and medical personnel, increased risk of accidents, the possibility of negative influences on the traditional way of life etc. (see Koenig-Lewis & Bischoff, 2005; Chung, 2009, for discussion). Finally, *ecological problems* contain pollution problems and an exhaustion of the natural resources (Bender et al., 2005). Hence, it is clear why destinations seriously attempt to reduce seasonality. "They do this by reducing prices, attempting to attract visitors, such as senior citizens who have more flexible schedules, and by developing special events. Most of the effort so far has been placed on manipulating the supply side in an attempt to make destinations more attractive in off-peak periods" (Wall & Mathieson, 2006, 58).

It is worth noting that "very little research has been done to explore any of the positive aspects of seasonality" (Butler, 2001, 6). In spite of that, there are positive effects. First of all, each year's rest period may be beneficial for the majority of natural resources, where the off-peak season provides a chance for recovery. In addition, local communities can preserve their own identity through time. These are crucial positive effects of seasonality in tourism.

2.4 Montenegrin tourism and seasonality

Montenegrin tourism development strategy to 2020 was adopted in the year 2001 and its revised version in 2008.[1] All this time, one of the key challenges of this strategy has focused on reducing pronounced seasonality in Montenegrin tourism. In fact, according to the revised version of the tourism development strategy, seasonality has shrunk considerably during the period indicated above (see Montenegro tourism development strategy to 2020, 2008, for discussion). That was expected and should be considered as a normal consequence of the strategy implementation process. However, expectations are not always realized for one reason or another. Therefore, we want to check whether the degree of seasonality in Montenegrin tourism has changed and become less prominent. Hence, our supposition is that the degree of seasonality has not shrunk and, above all, has been constant with negligible variations, which is quite opposite to the previous statement.

2.5 Formulation of hypotheses

Based on the previous discussion, especially on offered definition of seasonality in tourism, we are prepared to formulate our hypotheses. In our opinion, two moments in quantifying seasonality phenomenon are important.

The first moment refers to the fact whether the seasonality is pronounced or not. Thus, the first *hypothesis* we formulated read:

H1: *Seasonality in Montenegrin tourism is pronounced*

We could not find any theoretical 'critical limit' suggesting a clear difference between pronounced and not pronounced seasonality in tourism. Thus, we formulated sub-hypotheses in order to determine whether the seasonality in Montenegrin tourism is pronounced or not. The stated sub-hypotheses read:

H1.1: *All calculated values of the seasonal ranges are over 350*

H1.2: *All calculated values of the coefficients of seasonal variation are over 120*

H1.3: *All calculated values of the seasonality ratios are over 3*

H1.4: *All calculated values of the seasonality indicators are under 0.35*

H1.5: *All calculated values of the Gini coefficients are over 0.5*

If the majority of sub-hypotheses (i.e., minimum three out of five) are correct, we accept hypothesis **H1** and claim that seasonality in Montenegrin tourism is pronounced. It is worth underlining that if any of the sub-hypotheses is rejected it does not mean that there is no strong seasonal pattern – it only means that our specific criterion is not achieved.

On the other side and according to the offered definition of seasonality in tourism, the second moment is whether the seasonality is constant or non-constant during the given period. Thus, the second *hypothesis* we formulated read:

H2: *Seasonality in Montenegrin tourism is constant with negligible variations*

Again, we could not find any theoretical method suggesting a procedure for testing whether the seasonality is constant or non-constant. Therefore, only a visual comparison can help. If all values graphically approximate a constant level with just negligible variations, we accept hypothesis **H2** as correct.

Therefore, according to the formulated hypotheses **H1** and **H2**, we suppose that Montenegrin tourism is faced with pronounced as well as constant seasonality.

In our opinion, in order to understand the nature of seasonality in a destination (i.e., strength and dynamics) it is enough to use only one measure. All other measures will show the same key properties. Consequently, there is no need for a holistic way of measuring. A combination of different measures brings

1 Montenegro tourism development strategy to 2020 is available at GOV.

no additional value to the understanding of the core characteristics of seasonality in a tourist destination. Thus, the third *hypothesis* we formulated read:

H3: *To understand the nature of seasonality it is enough to use only one measure*

If all measures show the same – pronounced as well as constant seasonality – we accept hypothesis **H3** as correct.

3 Methodology

Reliable and appropriate measuring methods are needed in order to quantify seasonality phenomenon in Montenegrin tourism. "It is highlighted that the decision about which measure is to be used depends on the research question and the degree of detail required" (Koenig-Lewis & Bischoff, 2005). According to the previous discussion and stated hypotheses, we strive to quantify and then to explore the nature of seasonality in Montenegrin tourism. In order to fulfil that goal we found that the most proper measures are seasonal range, coefficient of seasonal variation, seasonality ratio, seasonality indicator and the Gini coefficient. At the same time, "it is necessary to decide for a category of figures" (Weidner, 2009, 5). As we stated at the beginning of this paper, the main and most often used category – unit is a number of tourist arrivals per month, which is also used in this paper. This allows us to compare the results with those obtained by other authors. For instance, figure v_{it} is a monthly number of tourist arrivals in Montenegro at time *it*, where *i* refers to the month (i.e., $1 \leq i \leq 12$) and *t* relates to the specific year. In many cases, the time series plot of v_{it} can be useful to get a first impression of seasonality (see Nadal, Font & Rosselló, 2004). Now we can take a closer look at the selected methods.

Seasonal range (SR)

The seasonal range (*SR*) is the difference between the highest and the lowest value of monthly indices (Koenig-Lewis & Bischoff, 2005), where index = 100 is the average number of tourist arrivals per month. In our case study, if $I_{\max}$ is the highest monthly index in year *t*, $I_{\min}$ the lowest monthly index in year *t* and $average = 100$ indicates that the monthly average number of tourist arrivals is a base index, then the seasonal range *SR* related to Montenegrin tourism in the year *t* can be calculated as follows $SR_t = I_{\max(average = 100)} - I_{\min(average = 100)}$. This measure can take theoretical values between 0 and 1200 (i.e., $0 \leq SR_t \leq 1200$). With the same number of tourist arrivals every month the seasonal range is zero and if all visitors come in Montenegro in month *i* then the seasonal range is 1200.

Coefficient of seasonal variation (s)

The coefficient of seasonal variation (*s*) is equal to the standard deviation of the seasonal indices, where index = 100 is the average number of tourist arrivals per month (Lundtorp, 2001, 29). Concretely, if *Ii* is a seasonal index, where *i* refers to the related month (i.e., 1 ≤ i ≤ 12), and Ī is the mean of seasonal indices (i.e., 100), then the coefficient of seasonal variation *s* related to Montenegrin tourism in the year *t* can be calculated as follows $s_t = \sqrt{\frac{\sum_{i=1}^{12}(I_i - \bar{I})^2}{12-1}}$ (see Mann, 2009, 98–102). The quantity $(I_i - \bar{I})$ in the previous formula is called the deviation of *Ii* from the mean Ī. The smaller value of coefficient *s* means the smaller seasonality in Montenegrin tourism and vice versa, the greater value of *s* means the greater seasonality in the destination.

Seasonality ratio (R)

The seasonality ratio (*R*) is a relation between the highest number of monthly tourist arrivals and the average number of tourist arrivals per month. In our case study, where v_{sum} is the total number of tourist arrivals in Montenegro during the whole year (i.e., $v_{sum} = \sum_{i=1}^{12} v_i$), $\bar{v}$ is the average number of tourist arrivals (i.e., $\bar{v} = \frac{v_{sum}}{12}$) and the highest monthly number of tourist arrivals is v_h , the seasonality ratio *R* related to Montenegrin tourism in the year *t* is calculated as follows $R_t = \frac{v_h}{\bar{v}}$. With the same number of tourist arrivals every month the ratio is one and if all visitors arrive in Montenegro in month *i* then the seasonality ratio is exactly twelve (i.e., $1 \leq R \leq 12$). With increasing seasonal variation, the seasonality ratio increases (Lundtorp, 2001, 29).

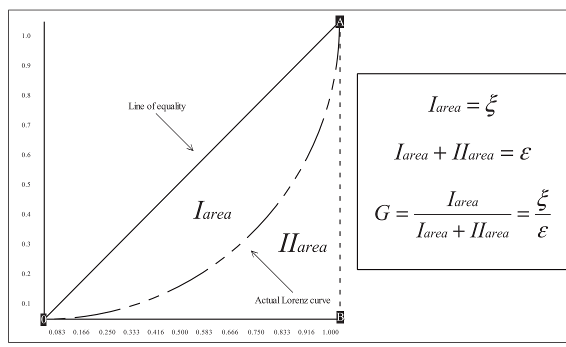
Seasonality indicator (ω)

The seasonality indicator (ω) is a ratio between the average number of tourist arrivals per month and the highest monthly number of tourist arrivals (i.e., the inverse value of the ratio used in calculating seasonality ratio *R*) and this definition was chosen because of the interpretation (Lundtorp, 2001, 29–30). Again, v_{sum} is the total number of tourist arrivals in Montenegro during the whole year (i.e., $v_{sum} = \sum_{i=1}^{12} v_i$), $\overline{v}$ is the average number of tourist arrivals (i.e., $\overline{v} = \frac{v_{sum}}{12}$) and the highest monthly number of tourist arrivals is v_h, then the seasonality indicator ω related to Montenegrin tourism in the year *t* is calculated as follows $\tilde{\omega}_t = \frac{\overline{v}}{v_h}$. This measure can take theoretical values between 0.08333 and one (i.e., $1/12 \leq \tilde{\omega} \leq 1$). With the same number of tourist arrivals every month the seasonality indicator is one and if all visitors come in Montenegro in month *i* then the seasonality indicator is 0.08333.

The Gini coefficient (G)

The Gini coefficient (*G*) is "a statistical measure of inequality" (Black, 2002, 197) and "is derived from the Lorenz curve" (Lundtorp, 2001, 30). In fact, the famous Lorenz curve is a graphical representation of inequality while the Gini coefficient is a measure for this inequality. For complete equality (the same number of tourist arrivals every month), which is an extreme situation, the Lorenz curve would be a straight line (i.e., represents 45° equality line) and it becomes more curved as inequality rises (Black, 2002, 279). On the other hand, the Gini coefficient is a number between 0 and 1 (i.e., $0 \leq G \leq 1$). The larger the Gini coefficient, the greater the inequality /seasonality in Montenegrin tourism/ and the smaller the Gini coefficient, the lower the inequality /seasonality in Montenegrin tourism/ (see Arnold, 2008, 578). More specifically, in tourism industry the Lorenz curve shows "the cumulated frequencies in rank with the lowest frequency (winter month) to the left and the month with the highest number of visitors to the right. With the same number of visitors every month, the Lorenz curve would be a straight line, the line of equality. The more unequal the seasonal distribution of visitors, the larger will be the area between the Lorenz curve and the line of equality (i.e., straight line). The Gini coefficient is calculated as the area between the curve and the 45° equality line divided by the entire area below the 45° line" (Lundtorp, 2001, 30). This idea is theoretically represented in Figure 1.

Figure 1: *The Gini coefficient.*



Source: Author.

Accordingly, the Gini coefficient in Montenegrin tourism is equal to the area between the line of equality (0A) and the actual Lorenz curve $\rightarrow I_{area} = \xi$, divided by the entire triangular area (0AB) $\rightarrow I_{area} + II_{area} = \varepsilon$ under the line of equality. As depicted in Figure 1, area ξ is divided by the triangular area ε. Then, the Gini coefficient *G* related to Montenegrin tourism in the year *t* can be calculated as follows $G_t = \frac{\xi}{\varepsilon}$. The closer value of the Gini coefficient to zero means the smaller seasonality in Montenegrin tourism and the closer value of the Gini coefficient to one means the stronger seasonality in the destination.

All of the measures are calculated separately using quantifying methods discussed above. At the same time, appropriate graphical representation of quantified values and actual number of tourist arrivals in Montenegro is depicted on the same graph. In our opinion, it is the best way for understanding seasonality phenomenon in tourism and one which offers a better possibility of highlighting key properties, especially the evolution of indicators and a comparison over time. Above all, to gain the best insight into the research questions it is inevitable to make parallels with other coastal destinations. For that purpose we chose to explore the seasonality issues in Turkish and Croatian tourism. Therefore, the results of quantifying seasonality in Montenegrin tourism are numerically and visually compared with the ones related to these two tourist destinations.

4 Data

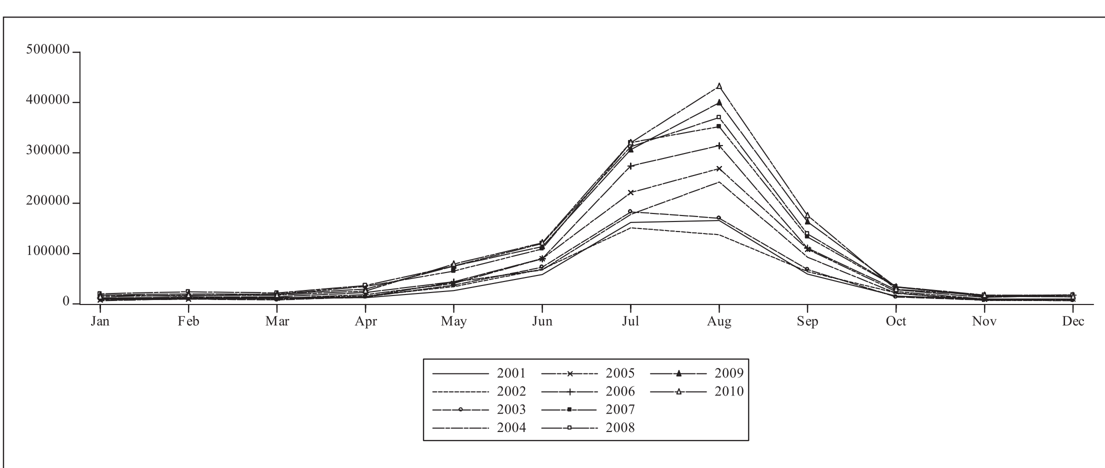
In order to quantify and understand seasonality pattern in Montenegrin tourism historical data is required. Fortunately, such a data set is obtainable from Statistical Office of Montenegro. We acquired the data regarding the monthly number of tourist arrivals in Montenegro, which covers the period of ten years, from January 2001 to December 2010, in which we have 120 observations – ten annual observations for each of the twelve months. In order to get a first impression of seasonality, yearly number of tourist arrivals in Montenegro is graphically represented in Figure 2 below.

First of all, graphical representation reveals that seasonality has a peak in July and August. As a result, we can say that these two months are the main season. Furthermore, it is visible that one shoulder season is during May and June, while September is another shoulder season. Finally, rest of the year (i.e., January, February, March, April, October, November and December) refers to the off-peak season in Montenegrin tourism. Unfortunately, the graph cannot fully explain the extent of seasonality because the effects of depiction of seasonal fluctuations are limited, thus calling for an additional discussion.

Prior to further discussion, we should also look at the descriptive statistics of the data related to the monthly number of tourist arrivals in Montenegro. Table 1 presents calculated values of the designated statistics – mean, median, maximum and minimum values, standard deviation, skewness and kurtosis.

At this point we are ready to report the results and try to contrast them with those obtained from similar tourist destinations (i.e., Croatia and Turkey – destinations relying on coastal tourism). Finally, it can help us in formulating correct concluding remarks regarding seasonality phenomenon in Montenegrin tourism.

Figure 2: *Yearly number of tourist arrivals in Montenegro: 2001–2010.*



Source: Statistical Office of Montenegro.

Table 1: *Descriptive statistics – monthly number of tourist arrivals in Montenegro.*

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Mean	46253	45142	49953	58624	68371	79494	94453	99010	100641	105249
Median	14256	18753	13758	17720	21536	25261	34019	35358	31714	27315
Maximum	165750	151284	182814	241916	268669	314279	351903	370293	399753	432268
Minimum	9642	6826	6377	6578	7999	11988	15617	17044	14054	14092
Std. Dev.	57736	50943	63555	76934	89393	105526	119457	120925	128252	138539
Skewness	1.46	1.24	1.34	1.49	1.39	1.50	1.44	1.44	1.45	1.45
Kurtosis	3.50	3.07	3.27	3.88	3.46	3.66	3.50	3.58	3.70	3.77

Source: Author's calculations.

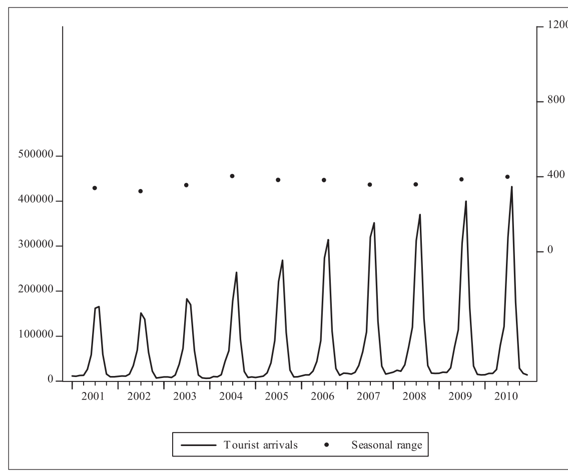
5 Results

Seasonal range

The second row of Table 2 shows the evolution of the seasonal ranges in Montenegrin tourism from 2001 to 2010. It is evident that all of the calculated values show a pronounced seasonality, thus supporting hypothesis H1. The highest value is about 401, while the lowest is about 320. Consequently, sub-hypothesis H1.1, that all calculated values of the seasonal ranges are over 350, cannot be accepted because not all of the calculated SR values support this supposition. In spite of the fact that stated sub-hypothesis is rejected, it is clear that the degree of seasonality in Montenegrin tourism is substantial.

Figure 3 shows a comparison of the calculated values of the seasonal ranges and the actual number of tourist arrivals in Montenegro. It is visible that over ten years time, from 2001 to 2010, the number of tourist arrivals were constantly growing. On the other side, the calculated values of seasonal ranges are quite steady, which implies that seasonality has not changed much over time. All of that reinforces our supposition stated in hypothesis H2, that seasonality in Montenegrin tourism is constant with only negligible variations.

Figure 3: *Comparison of calculated SR values and actual number of tourist arrivals in Montenegro: 2001–2010.*



Source: Author's calculations.

In hypothesis H3, we stated that in order to understand the nature of the phenomenon of seasonality in a tourist destination (i.e., degree and dynamics of seasonality) it is enough to use only one measure. Hence, it is very important for the ultimate success of this paper to check whether the other measures of seasonal variations also show a pronounced and constant seasonality in Montenegrin tourism.

Table 2: *Evolution of the Seasonal range: Montenegro, Croatia and Turkey (2001–2010).*

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Montenegro	337.51	320.01	353.21	401.44	381.26	380.27	356.04	356.78	383.24	397.32
Croatia	309.27	320.60	327.21	315.22	304.04	288.14	290.01	296.75	316.00	311.09
Turkey	146.40	144.25	163.46	140.95	141.11	150.34	149.59	150.45	159.15	148.71

Source: Author's calculations.

With the aim of getting better results, it is significant to make a comparison with previously selected destinations. Subsequently, is the extent and dynamics of seasonality in Turkish and Croatian tourism similar to Montenegrin? Do these destinations also face with such a strong and constant seasonality? Table 2 above presents SR values for all destinations together.

According to the results, it is evident that seasonality in Montenegrin tourism is the strongest among the selected destinations – the highest SR value is about 401. Croatian tourism faces pronounced as well as constant seasonal variations too. However, the extent of seasonality is obviously smaller than in Montenegrin tourism – the highest SR value is about 327. The lowest but still constant extent of seasonality is recorded in Turkish tourism – the highest SR value is only about 163. There is a huge difference between the degree of seasonality in Montenegrin and Turkish tourism. Figure 4 displays the results graphically.

Coefficient of seasonal variation

The evolution of the coefficients of seasonal variation in Montenegrin tourism from 2001 to 2010 is presented in the second row of Table 3. The calculated values go from about 113, which is the lowest obtained value, to about 133, belonging to the highest one. According to that, the formulated sub-hypothesis H1.2, that all values of the coefficients of seasonal variation are over 120, is rejected – there is one calculated value under 120 while all others are over that number. Regardless of that, all calculated values of the coefficients of seasonal variation are quite large showing distinct seasonality in the number of tourist arrivals in Montenegro, and thus supporting the hypothesis stated in H1.

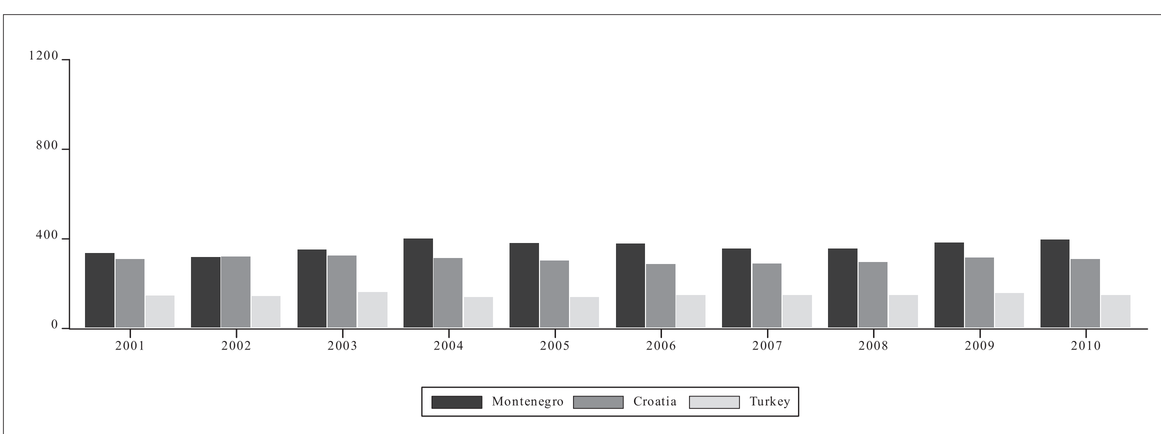
The comparison of the calculated s values and the actual number of tourist arrivals in Montenegro is depicted in Figure 5 below. All calculated values of the coefficients of seasonal variation are relatively stable throughout the years which again implies that seasonality has not changed much over time. On the

Table 3: *Evolution of the Coefficient of seasonal variation: Montenegro, Croatia and Turkey (2001–2010).*

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Montenegro	124.82	112.85	127.23	131.23	130.75	132.75	126.47	122.14	127.44	131.63
Croatia	110.9	110.4	110.2	109.1	109.3	105.2	103.5	104.3	108.5	111.2
Turkey	53.3	53.3	59.1	51.1	50.7	52.3	52.9	53.4	53.4	52.2

Source: Author's calculations.

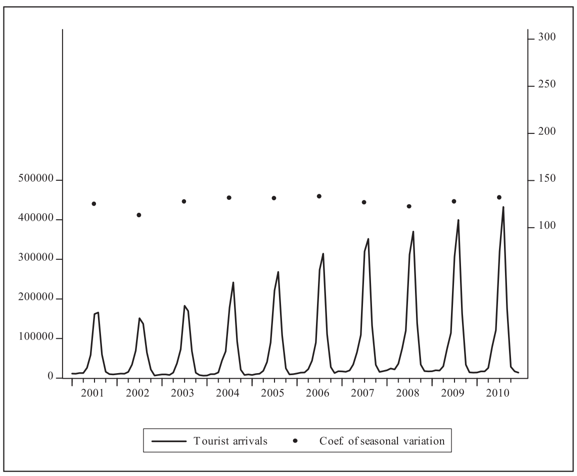
Figure 4: *Comparison of calculated SR values: Montenegro, Croatia and Turkey (2001–2010).*



Source: Author's calculations.

other side, the number of tourist arrivals has an upward trend. All of that strengthens our supposition stated in hypothesis H2, which is that seasonality in Montenegrin tourism is constant with negligible variations and the overall picture of seasonality, in terms of coefficient of seasonal variation, shows stability in the long run pattern. The same as the previous measure showed.

Figure 5: *Comparison of calculated s values and actual number of tourist arrivals in Montenegro: 2001–2010.*



Source: Author's calculations.

With respect to hypothesis H3, this measure also shows a pronounced and constant seasonality pattern in Montenegrin tourism, thus confirming that it is enough to use only one measure with the purpose of understanding the nature (strength and dynamics) of seasonality phenomenon in a destination.

Further, Table 3 above and Figure 6 present calculated values of the coefficients of seasonal variation for all destinations together.

Again, it is obvious that seasonality in Montenegrin tourism is the strongest among the selected destinations – the highest value of s is about 133. Seasonality in Turkish tourism is more than two times weaker – the highest value of s is only about 59. An enormous difference between the degree of seasonality in Montenegrin and Turkish tourism is evident. Expectedly, calculated values of s show that Croatian tourism also faces with pronounced as well as constant seasonal variations. Nevertheless, the extent of seasonality is smaller than in Montenegrin tourism – the highest s value is about 111.

Seasonality ratio

The second row of Table 4 displays all calculated values of the seasonality ratios in Montenegrin tourism, from 2001 to 2010. It is obvious that all computed figures indicate prominent seasonality in the number of tourist arrivals, which supports hypothesis H1. The lowest obtained value of the seasonality ratio is about 3.35 and the highest calculated value is about 4.13. Thus, the formulated sub-hypothesis H1.3, that all values of the seasonality ratios are over 3, is accepted – all of the calculated values reinforce this supposition.

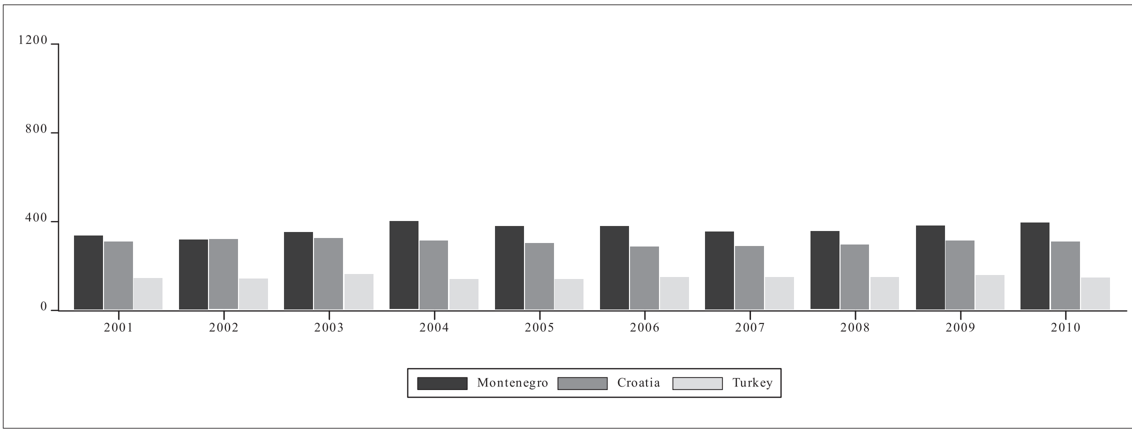
Figure 7 presents comparison of the calculated values of the seasonality ratios and the actual number of tourist arrivals in Montenegro. The figure demonstrates that seasonality pattern (values of the seasonality ratios) is very steady over time. On the other side, constant upgrowth has been recorded in the number of tourist arrivals in Montenegro. Indisputably, all of that supports our supposition stated in hypothesis H2, that seasonality in Montenegrin tourism is constant with only negligible variations.

Table 4: *Evolution of the Seasonality ratio: Montenegro, Croatia and Turkey (2001–2010).*

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Montenegro	3.58	3.35	3.66	4.13	3.93	3.95	3.73	3.74	3.97	4.11
Croatia	3.23	3.34	3.39	3.27	3.16	3.01	3.03	3.11	3.31	3.23
Turkey	1.84	1.72	1.95	1.78	1.81	1.88	1.86	1.86	1.92	1.83

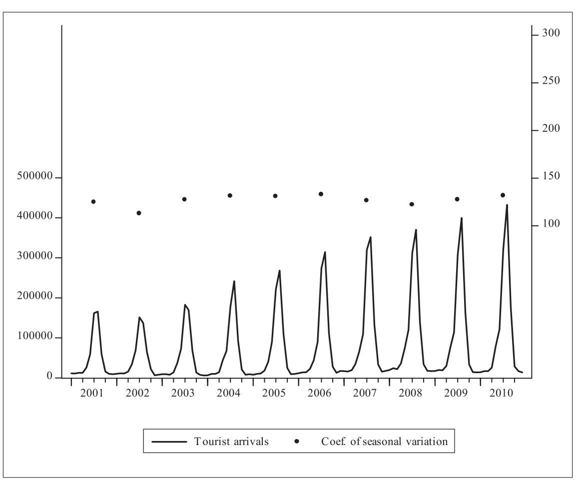
Source: Author's calculations.

Figure 6: *Comparison of calculated s values: Montenegro, Croatia and Turkey (2001–2010).*



Source: Author's calculations.

Figure 7: *Comparison of calculated R values and actual number of tourist arrivals in Montenegro: 2001–2010.*



Source: Author's calculations.

This measure also shows a pronounced and constant seasonality in Montenegrin tourism, thus supporting hypothesis H3, that it is enough to use only one measure in order to understand the nature of seasonality.

Table 4 above and Figure 8 show comparison of the calculated values of the seasonality ratios for all destinations together.

In terms of seasonality ratios, the seasonal variations in Montenegrin tourism are the strongest among the selected destinations – the highest R value is about 4.13. Croatian tourism also faces with a pronounced and constant seasonality but the degree is smaller than in Montenegrin tourism – the highest R value is about 3.39. Apparently, the extent of seasonality in Turkish tourism is relatively small – the highest R value is only about 1.95.

Seasonality indicator

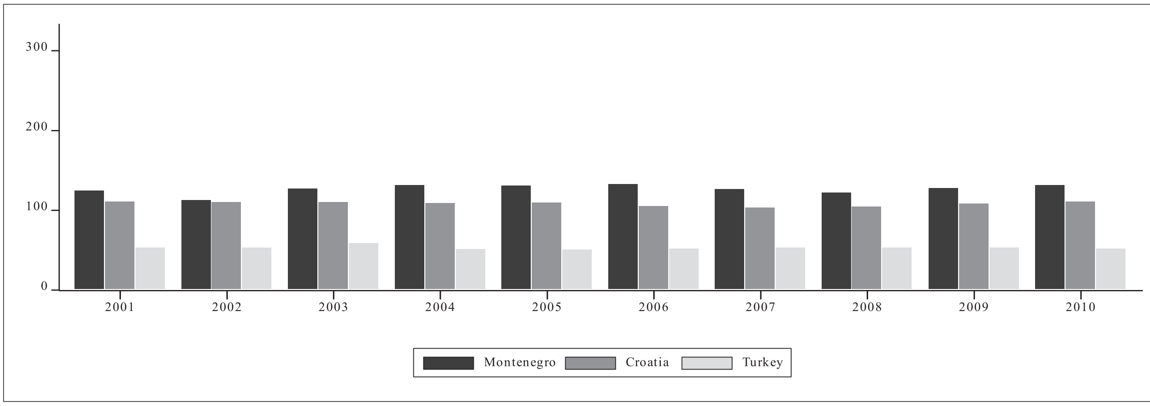
The second row of Table 5 lists all calculated values of the seasonality indicators in Montenegrin tourism. All figures are very small, which is a clear sign of a noticeable seasonal pattern in the number of tourist

Table 5: *Evolution of the Seasonality indicator: Montenegro, Croatia and Turkey (2001–2010).*

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Montenegro	0.28	0.30	0.27	0.24	0.25	0.25	0.27	0.27	0.25	0.24
Croatia	0.31	0.30	0.29	0.31	0.32	0.33	0.33	0.32	0.30	0.31
Turkey	0.54	0.58	0.51	0.56	0.55	0.53	0.54	0.54	0.52	0.55

Source: Author's calculations.

Figure 8: *Comparison of calculated R values: Montenegro, Croatia and Turkey (2001–2010).*

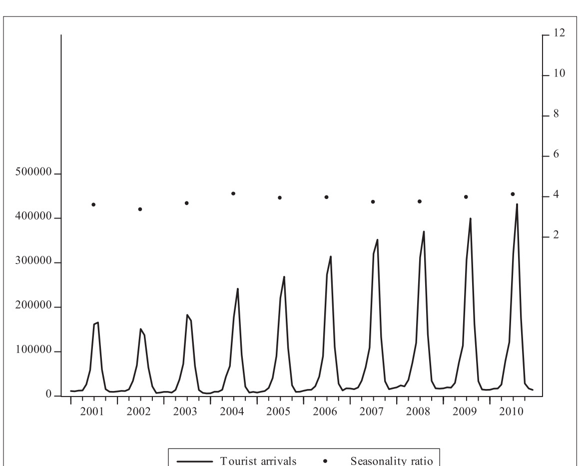


Source: Author's calculations.

arrivals in Montenegro. Furthermore, it reinforces hypothesis H1, that seasonality in Montenegrin tourism is pronounced. The highest obtained value is about 0.30 while the lowest one is about 0.24. According to that, the formulated sub-hypothesis H1.4, that all values of the seasonality indicators are under 0.35, is accepted – there is none calculated value over that number.

A time comparison of the calculated values of the seasonality indicators and the actual number of tourist arrivals in Montenegro is shown in Figure 9 below.

Figure 9: *Comparison of calculated ω values and actual number of tourist arrivals in Montenegro: 2001–2010.*



Source: Author's calculations.

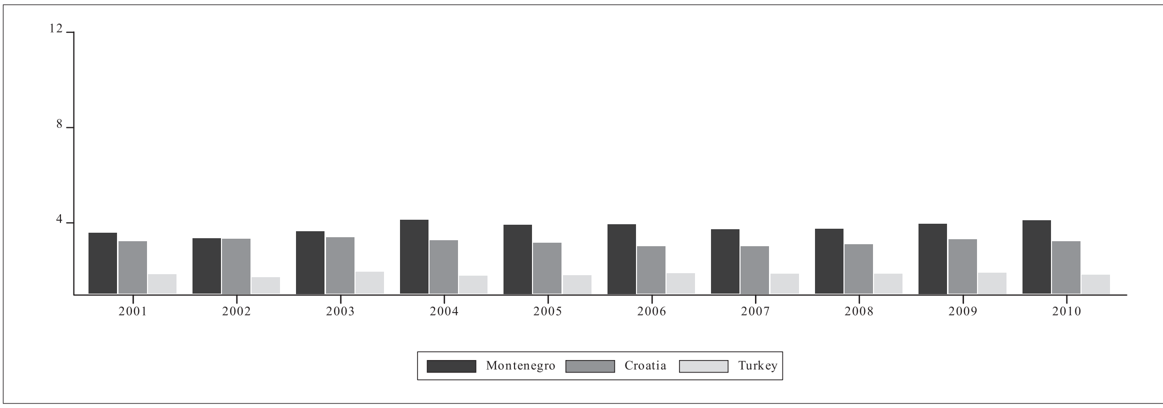
All calculated values of the seasonality indicators are relatively steady over the course of the ten years, which again implies that seasonality in Montenegrin tourism has not changed much over time. On the other side, the number of tourist arrivals has an increasing trend. All of that makes our supposition stated in hypothesis H2, that seasonality in Montenegrin tourism is constant with only negligible variations, stronger. This is exactly the same conclusion as the ones reached by all previous measures.

With respect to hypothesis H3, this measure also shows a pronounced and constant seasonality in Montenegrin tourism, thus implying that it is enough to use only one measure in order to understand the nature of seasonality.

With the intention of comparing the seasonality phenomenon among selected destinations, Table 5 above and Figure 10 present all calculated values of the seasonality indicators.

Once more, it is evident that seasonality in Montenegrin tourism is the strongest among the selected destinations – the smallest ω value is about 0.24. Croatian tourism faces with pronounced as well as constant seasonal variations too. In spite of that, the extent of seasonality is smaller than in Montenegrin tourism – the smallest ω value is about 0.29. Results also reveal that the lowest, but constant extent of seasonality refers to Turkish tourism – the smallest

Figure 10: *Comparison of calculated ω values: Montenegro, Croatia and Turkey (2001–2010).*



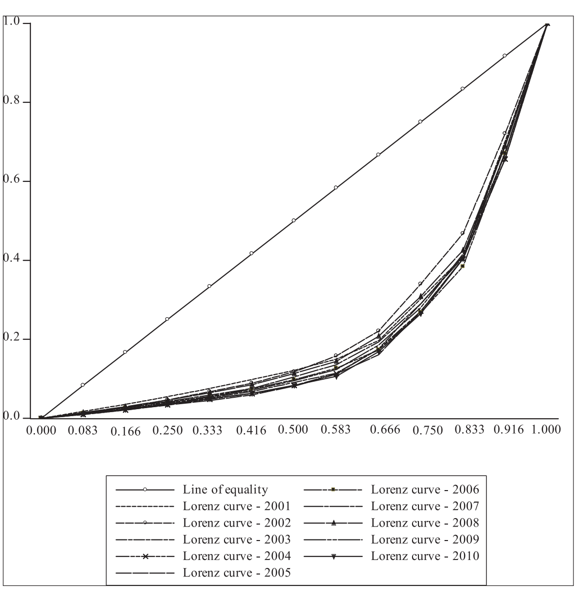
Source: Author's calculations.

ω value is even about 0.58. A huge difference between the degree of seasonality in Montenegrin and Turkish tourism is obvious.

The Gini coefficient

The Lorenz curves, each representing one year, along with the line of equality are outlined in Figure 11. Their resemblance is apparent, which suggests that

Figure 11: *Lorenz curves – tourist arrivals in Montenegro: 2001–2010.*



Source: Author's calculations.

Gini coefficients are quite similar in value. In addition, the first impression brings to mind a probable degree of seasonality in Montenegrin tourism. In fact, all Lorenz curves are far away from the line of equality, which implies that large values of the Gini coefficients in Montenegrin tourism can be expected.

The second row of Table 6 reveals all calculated values of the Gini coefficients in Montenegrin tourism. All figures point out prominent seasonality in the number of tourist arrivals, which strongly supports hypothesis H1, that seasonality in Montenegrin tourism is pronounced. The highest obtained value of the Gini coefficient is about 0.61 and the lowest one is about 0.54. Therefore, the formulated sub-hypothesis H1.5, that all values of the Gini coefficients are over 0.5, is accepted – all of the calculated values back up this supposition.

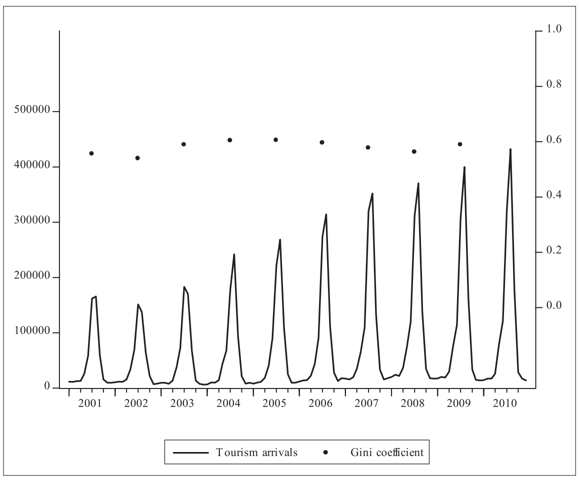
Figure 12 shows comparison of the calculated values of the Gini coefficients and the actual number of tourist arrivals in Montenegro. Over a ten year period of time from 2001 to 2010, the number of tourist arrivals were constantly expanding. On the other side, the calculated values of the Gini coefficients are very stable, which implies that seasonality is constant. All of that strongly strengthens our supposition stated in hypothesis H2, that seasonality in Montenegrin tourism is constant with only negligible variations.

Table 6: *Evolution of the Gini coefficient: Montenegro, Croatia and Turkey (2001–2010).*

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Montenegro	0.56	0.54	0.59	0.60	0.61	0.60	0.58	0.56	0.59	0.61
Croatia	0.54	0.54	0.54	0.54	0.54	0.52	0.52	0.52	0.53	0.54
Turkey	0.29	0.29	0.32	0.28	0.27	0.28	0.29	0.29	0.29	0.28

Source: Author's calculations.

Figure 12: *Comparison of calculated G values and actual number of tourist arrivals in Montenegro: 2001–2010.*



Source: Author's calculations.

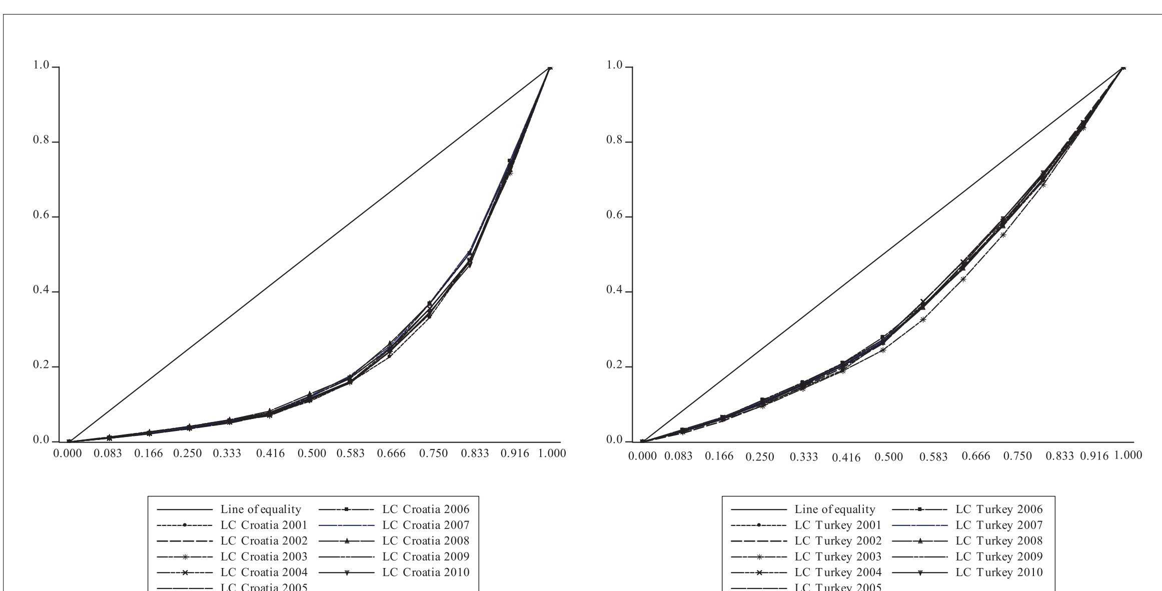
Like in any of the previous measures, the result of this one is the same, that seasonality in Montenegrin tourism is pronounced and constant, thus supporting hypothesis H3 – that it is enough to use only one measure.

Prior to comparing the Gini coefficients among the selected destinations, let us have a look at Figure 13 which presents two Lorenz curves related to Croatian and Turkish tourism.

Table 6 above and Figure 14 below show a comparison of the calculated values of the Gini coefficients for all destinations together.

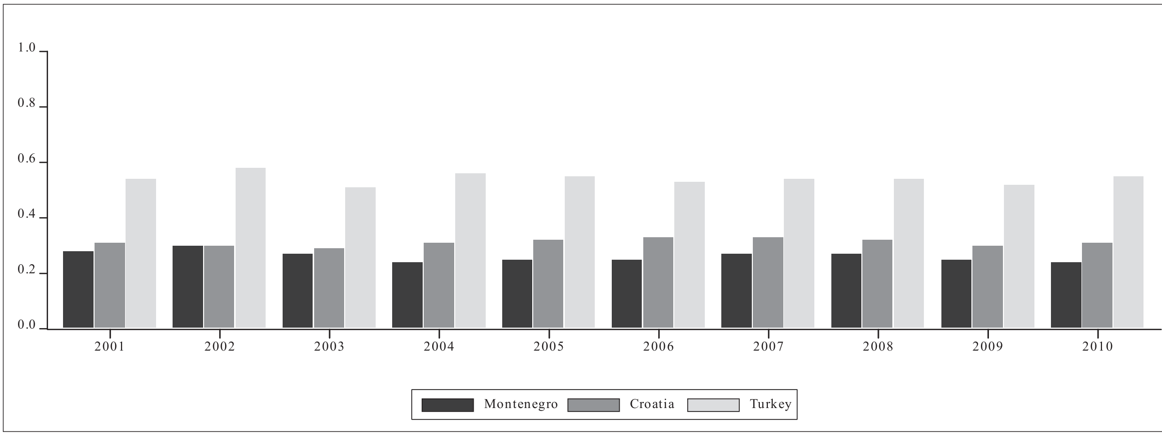
Once again, it is clear that seasonality in Montenegrin tourism is the strongest among the selected destinations – the highest value of the Gini coefficient is about 0.61. Seasonality in Turkish tourism is constant, but

Figure 13: *Lorenz curves – Croatia and Turkey (2001–2010).*



Source: Author's calculations.

Figure 14: *Comparison of calculated G values: Montenegro, Croatia and Turkey (2001–2010).*



Source: Author's calculations.

weaker – the highest G value is only about 0.32.[2] It is a vast difference. Croatian tourism also faces with pronounced and constant seasonality but the extent of seasonal variations is smaller than in Montenegrin tourism – the highest G value is about 0.54.

According to all results, three sub-hypotheses are accepted as correct, which enables us to also accept hypothesis H1 as correct. Furthermore, all quantified values approximate a constant level, with only negligible variations. Thus, we accept hypothesis H2 as correct as well. Additionally, in section 2.5, we stated that if all measures show the same result – pronounced as well as constant seasonality – we accept hypothesis H3 as correct. Indeed, all five measures confirm the correctness of the formulated hypothesis suggesting that in order to understand the nature of seasonality phenomenon in a tourist destination it is enough to use only one measure. As a result, we accept hypothesis H3, thus claiming that a combination of different measures brings no additional value to the understanding of the core characteristics of seasonality in a tourist destination.

2 For further reading about Gini coefficient in Turkish tourism see Karamustafa & Ulama (2010).

6 Discussion

This paper shows that seasonality in tourism has two characteristics: strength and dynamics. The first refers to the level or degree of seasonality while the second signifies variations over time.

To be able to understand these features it is necessary to quantify seasonal variations in a certain tourist destination. The first question: what is the most adequate quantifying method and are there any related theoretical implications that this paper presents? This question relates to hypothesis H3.

On the other side, when the results of measuring are obtained, it is essential to draw conclusions about seasonality in a specific tourist destination. The second question: what are practical implications that can be derived from quantifying the phenomenon of seasonality in Montenegrin tourism? This question relates to hypotheses H1 and H2.

6.1 Theoretical implication

In hypothesis H3 we stated: *to understand the nature of seasonality it is enough to use only one measure*. The acceptance of this hypothesis has an interesting theoretical implication: *there is no need for a holistic way of measuring*. Therefore, a combination of different measures brings no additional value to the understanding of the nature of seasonality in a tourist destination. Accordingly, if the aim of quantifying is to comprehend the nature of seasonality, it is adequate and sufficient to use only one measure. All others will show the same key properties regarding to the nature of seasonality.

Bearing in mind characteristics of seasonal variations (strength and dynamics) as well as their potential combinations (strong and constant, strong and non-constant, weak and constant or weak and non-constant), it is evident that our study supported the correctness of the stated hypothesis. Using data related to three tourist destinations (Montenegro, Croatia and Turkey) and employing five measures (seasonal range, coefficient of seasonal variation, seasonality ratio, seasonality indicator and the Gini coefficient) we strongly enhanced our deduction. In all selected destinations, all other measures have confirmed the results of the first one.

6.2 Practical implications

In hypotheses H1 and H2 we stated: *seasonality in Montenegrin tourism is pronounced and constant with negligible variations*. The acceptance of these hypotheses has several practical implications related to Montenegrin tourism. Some of the most important are presented below.

Montenegro is an ecological country trying to establish sustainable tourist product throughout the whole year. Sustainable product in tourism industry requires a balance in terms of carrying capacity, available natural resources and number of visitors. Unfortunately, because of the pronounced seasonality, there is no balance in Montenegrin tourism, which is easily seen just by looking at the quantified values of seasonality. Namely, during the main season there is overuse of resources (i.e., number of tourists highly exceeds the carrying capacity limit) and during the two shoulder seasons there is under-utilization of resources (i.e., carrying capacity limit exceeds the number of tourists). An additional problem is a constant level of a strong seasonal pattern. According to all of that, the product sustainability is under threat during the peak season. The solution to this problem lays in reducing the seasonality phenomenon in Montenegrin tourism. The degree of seasonality should be approximately adequate to the carrying capacity limit.

A huge problem in Montenegrin tourism is the black market, which is a direct and negative consequence of pronounced and constant seasonality. Due to a large number of tourists and many economic activities during the main season, it is impossible to control all direct and indirect participants in the market. A pronounced seasonality "prevents" the authorities from taking proper and planned activities in order to reduce the black market. The main season is too short to enable adequate and coordinated actions. Consequently, a long run quality of tourist product is questionable. However, the solution to this problem is not in reducing the black market itself, because it is impossible. The solution is in reducing seasonality in Montenegrin tourism, which will gradually reduce, because of the better business environment, many illegal economic activities in the destination.

Montenegrin tourism also faces some problems related to tourism employment, which are yet another direct consequence of pronounced and constant seasonality. In fact, there is a paradoxical situation. The majority of employees are foreigners while residents are not eager to work, although the unemployment rate is very high. The cause of that situation is the very short working period due to a strong seasonality. On the other side, employers are not ready to recruit and retain full-time employees, again due to a pronounced seasonal variation. Accordingly, the solution to this problem requires the longer season that will motivate both, employers and employees to find common interests.

As a consequence of pronounced and constant seasonality, Montenegro is considered as coastal and mass, rather than selective and exclusive tourist destination. Actually, the current situation is far away from a desired destination image and, above all, from real potentials – based on diversity and quality of natural and artificial resources. Without reducing the extent of seasonality, it will be very hard to create and maintain a competitive and sustainable tourist product in Montenegro.

7 Conclusion

The results of this paper have academic as well as practical implications. Firstly, the outcomes of quantifying seasonality in tourism show that seasonal variations have two characteristics – strength and dynamics, and that in order to understand the nature of these attributes, in any tourist destination, it enough to use only one quantifying method (i.e., there is no need for a holistic way of measuring). Secondly, ten years is a long period of time and can provide reliable deductions about aspects of seasonality in a tourist destination. According to that, the case study of Montenegro provides us with a few important conclusions. Precisely, all measures show a pronounced seasonality in Montenegrin tourism. The results confirm the correctness of hypothesis H1, which is accepted. Furthermore, three sub-hypotheses are also accepted as correct, while two are rejected as incorrect. Sub-hypothesis H1.1 is rejected as incorrect, because not all values of the seasonal ranges satisfy the condition, although the great majority do. Sub-hypothesis H1.2 is also rejected as incorrect, because not all of the calculated values of the coefficients of seasonal variation satisfy the criterion. Sub-hypothesis H1.3 is accepted as correct. Namely, all values of the seasonality ratios satisfy the condition. It is the same with sub-hypotheses H1.4 and H1.5, where all seasonality indicators and the Gini coefficients satisfy the conditions. Additionally, all measures show that seasonality in Montenegrin tourism is constant with only negligible variations. Thus, the results confirm the correctness of hypothesis H2, which is also accepted. Therefore, we can draw certain conclusions about characteristics of seasonality in Montenegrin tourism. According to hypotheses H1 and H2, Montenegrin tourism faces pronounced as well as constant seasonality. Further, all measures show the correctness of hypothesis H3 suggesting that in order to understand the nature of seasonality phenomenon in a tourist destination it is enough to use only one measure. As a result, we accept hypothesis H3, thus claiming that a combination of different measures brings no additional value to the understanding of the nature of seasonality in a tourist destination.

Now that we know how to describe the unfavourable characteristics of seasonality in Montenegrin tourism, the right question is – what could be done in order to reduce such strong and constant seasonality? In our opinion, several critical issues need to be addressed (structure of accommodation establishments, destination pricing policy, tourist product diversification and better flight connections). However, it is very hard to provide a simple answer. Accordingly, this paper is a good starting point for more discussion, thus providing a basis for further research.

Kvantitativni kazalniki sezonskosti v turizmu: študija na primeru Črne gore

Povzetek

Namen članka je kvantificirati sezonsko variiranje v turizmu in uporabiti spoznanja o sezonski naravi turizma sebi v prid. Na podlagi podatkov o številu novih gostov v Črni gori smo izračunali pet kazalnikov: sezonski razpon v številu gostov, koeficient sezonskega variiranja, sezonski kvocient, sezonski indikator in Ginijev koeficient. Na podlagi rezultatov kvantificiranja lahko zaključimo, da je turizem v Črni gori izrazito sezonske narave. Gre za stalen pojav, ki tudi na daljši časovni rok beleži le zanemarljivo variiranje. Med rezultati, pridobljenimi z uporabo različnih kazalnikov, ne obstajajo bistvene razlike. Na podlagi teh ugotovitev bi lahko zaključili, da je za razumevanje sezonske narave turizma dovolj, če se uporabi le en kazalnik, in da ni treba uporabiti celostnega meritvenega pristopa.

Ključne besede: sezonskost, število novih gostov, kazalniki, Črna gora

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The integrative and innovative model of HRM in slovenian tourism

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Abstract

Tourism is important for the worldwide economy as well as for Slovenia. It is vital to strive to become a country with a developed culture of tourism comparable to other European countries within the next ten years. It is important to develop a modern model of human resources management by which Slovenian tourism shall exceed the gap between various educated personnel and the offer on the labour market and to acquire top professionals. Changing values, higher education and experiences, as well as the increasing needs and requirements of new consumers in tourism require an educated, communicative and innovative labour force capable of creating value for consumers. It is therefore necessary to employ highly qualified workers for the distribution, operation and management of the tourist product which depends on the knowledge, capabilities and abilities of the employees. The development and qualification of human resources aiming at improvement of individual's efficiency is of key importance. For the layout of the model of HR-management, attention should be paid to other important aspects as well.

Key words: management, tourism, Human Resources Management, model of HR-management, model of HR-management for Tourism

1 Introduction

The World Tourism Organization (WTO) has been proudly pointing out for several years that the tourism sector is the most powerful part of the global economy. Since the beginning of this millennium, tourism has contributed more to the global gross-social product than the production of petroleum products, automotives or the pharmaceutical industry. The WTO forecast is very optimistic: ninety eight million tourists in 2007 at the end of this decade will become more than one billion, and revenues from tourism are predicted to skyrocket from 33 billion US $ (in 2006) to over a trillion US $ (Lebe, Rok, Milfelner, Cvikl, Šarotar Žižek, Treven, Vrečko & Iršič, 2008). Tourism is also an important part of the economy in Slovenia, and one which needs a new, modern design due to the many challenges faced in human resources management (HRM).

In order to be able to present reasons why a new human resources management model in tourism is necessary, we must first define tourism and outline its significance. Afterwards, we will present human resources in light of the evolution of business systems. The review of different models of HRM is the basic starting point in designing our own model of management and human resources in tourism. We will end this contribution with our final thoughts on the topic.

The purpose of this article is the presentation of a new non-technological innovation aimed at crisis management. Economic theory is one-sided and unsuccessful in crisis resolution and should be solved keeping social resposibility (SR) in mind, the requisite holism of people (RH), and well-being (WB). We use qualitative analysis which links management, HRM, Systems Theories, and Dialectical Systems Theory. Findings in research papers support the new requisitely holistic approach to the managing of HRM. The originality/value of this paper is presented, because the available literature offers no similar holistic concept.

2 Tourism

2.1 The definition of tourism and its significance

The WTO - World Tourism Organization defines tourism as the activities of persons travelling to and staying in places outside the usual environment in which they usually stay and work, for not more than one consecutive year for leisure, business or other purposes (WTO, 1999).

Tourism is important for the whole economy, both in the world in general and in Slovenia. With about 8% of world exports[1] and about 10% of global employment[2], tourism is the largest global economic activity (Nemec Rudež, 2006). The WTO predicts that tourism will be an economic activity which will remain important in the future since the number of international tourist arrivals at 692.6 million in 2001 should increase to 1.56 billion in 2020 (Nemec Rudež, 2006; citing WTO, 2002).

Tourism is also an important economic activity in Slovenia; in 2007 approximately 8.3 million overnight tourists and 2.7 million tourist arrivals were registered in Slovenia (Slovenian Tourist Board, 2007). In order to accelerate the development of Slovenian tourism at the macro and regional levels a '*Development Plan* and Policies of *Slovene Tourism 2007-2011*' was designed. The development of human resources within this plan were only the first steps in executing individual projects for upgrading education programmes and programmes for the improvement of practical education and training. The '*Development Plan* and Policies of *Slovene Tourism* 2007–2011' sets out a vision (Slovenia will become a developed tourist destination with diversified and quality tourism focused on shorter holidays. Furthermore, Slovenia will also become a desired destination for longer vacations with its attractive and diversified integrated tourism products). The basic strategy will be carried out along with the development of HRM and education management at all

1 According to the World Tourism Organization and the World Trade Organization (WTO, 2001).
2 The data relates to the direct and indirect employment in tourism (WTO, 1999).

levels. Therefore it is not surprising that the measures and actions for achieving the fundamental strategic directions are defined in the human resources policy (Ministry of Economy, 2007). All this suggests that tourism is both a development and a business opportunity for Slovenia. In order to take advantage of this opportunity, education and the development of human potential is extremely important.

2.2 Reasons for developing a new human resources management model in tourism

In many countries including Slovenia, tourism growth exceeds the average growth rate of the economy as a whole (Lebe et al., 2008). The development of tourism as a labor-intensive industry depends on the development of human resources; however the working environment in tourism is marked by relatively low wages, limited opportunities for promotion and career development, demanding working hours (work on Sundays, holidays, nights) as well as unpleasant physical working conditions, the pronounced phenomenon of undeclared work mainly in hotels and restaurants etc. (Ministry of Economy, 2007). Therefore, developing a specific model of HRM is of the utmost importance.

The need for a new model of human resources management is supported by the fact that the Slovenian tourism industry faces the following weaknesses in the field of HRM:

- The demand in the tourism industry for new employees significantly exceeds supply in the labor market - this holds especially true for professions such as waiters and cooks.
- Reduction of interest in working in tourism, especially for professions which are characterized by personal contact with guests (e.g. waiters).
- People avoiding or leaving professions in tourism even individuals who are qualified for this kind of work as there is no system for retaining skilled, motivated workers in those occupations.
- The weak image of the tourism industry, particular employers and especially particular jobs in tourism.
- The unstimulating and uncompetitive remuneration of employees.
- Difficult working conditions characterized by the inconvenient hours of work and consequently the inadequate distinction between work and non-work hours.
- Current lack of skills and knowledge.
- Lack of quality and current training programs and educational programs at all levels of tourist activities.
- High staff turnover.
- A gap between the needs of the tourism industry and education.
- There is no comprehensive elaborated system of recruiting sufficient numbers of young people for careers in tourism and hospitality.
- Lack of understanding of tourism opportunities on the part of the local population.
- The lack of interdisciplinary collaboration and creativity of coworkers.
- Relatively high level of stress among employees and others.

In Slovenia, project infrastructure is not supported by project development, which has created new and additional infrastructure are not followed by development projects (qualitative element of the development), including the particular area of systemic development of personnel who are needed at the national level (such as adjustment of occupational standards and standards of activities to the new requirements of the modern business environment, adaptation of public-formal methods of training and education, promotion of strategically important deficient occupations, etc.), as well as at the company level (models of recruitment, promotion models, models of reward and motivation, models of personal development and training, etc.). Such projects themselves provide a range of direct effects in terms of increasing the efficiency of each business entity and consequently the whole sector. Indirectly, these projects encourage and enable the effective realization of new projects that will directly have these new effects. Such projects will certainly include the creation of new programs and offerings, increase innovation projects etc. (Lebe et al., 2008).

The groundwork for the further successful development of the tourism industry is therefore a new model of HRM, which must take into consideration the following (Lebe et al., 2008):

- the tourist industry remains an extremely dynamic project activity,
- the activity is becoming more diversified, and
- the current generation of youth - Generation Y, individuals born in approx the last. 15 years, have experienced intense technological and information development characterized by different life expectations, habits and values than previous generations.

The new model of human resources management at the level of tourist activity as a whole should include (Lebe et al., 2008) the viewpoints of:

- nation-wide issues (professions, primary, secondary and post-secondary and higher education programs ...);
- content issues in business systems (mentoring, scholarships, recruitment, ...);
- organizational partnership in implementation (the country, educational institutions and individual economic subjects);
- operational performance (completed detailed reports by the experts on the start up and realization of necessary projects with planning costs, effects, timing and contractors and their integration with the annual plans of implementing partners);
- promotion (information and the inclusion of information to all relevant individuals and other formally organized subjects in tourism - e.g. Tourist Associations, Trade Unions for hospitality and tourism workers, the Expert Council for Tourism at the Ministry of Economy, the Division of Hospitality and Tourism in the Slovenian Chamber of Trade, the Tourism Hospitality Chamber at the Chamber of Commerce and Industry of Slovenia, the Association of Tourist Agencies of Slovenia, Slovenian Natural Spas Community, etc.).

The new model of HRM will also consider that the employees in hospitality and tourism should implement the prescribed requirements relating to hygiene, health, the physical and psychological states of coworkers, beyond the conditions that are typical for other activities (the direction and level of education, functional skills, etc.). Šuligoj (2006) points out that the following qualities from the employees in the tourism and hospitality industry are expected:

- Emotional stability: calmness, self-control and mental concentration in conflicts and other critical moments with guests and associates;
- General resourcefulness: flexibility, fast decision-making, negotiation skills, etc.;
- Moral and ethical virtues: tolerance in the workplace for people of different cultures, races, religions, etc.
- Attitude towards staff and property.

In addition to the aforementioned characteristics of the employees, the model will also result from some specific working conditions in hospitality and tourism (Šuligoj, 2006):

- Employees work in different temperature conditions; some employees work in air-conditioned rooms, often in a draught, while, for example cooks are exposed to both very high and very low temperatures.
- Cooks, waiters, chambermaids and cleaners come into contact with hot, sharp, slippery objects, thereby exposing them to injuries; they also come in contact with fire and various harmful gases and vapours.
- Potential violations of hygiene regulations can cause microbial poisoning of guests and employees.
- Certain work is carried out manually and can be dangerous.
- Heavy objects are lifted.
- Except the administrative staff, personnel do not sit at work.
- Shifts include holidays, weekends and night; on weekdays, the staff can create an overtime or "minus" hours.
- Except cooks and other support staff (maids, cleaners, administrative staff), all employees handle money.
- They are also exposed to airborne infections since they are in contact with people, etc.

The aim of the modern HRM model is to support the competitiveness of Slovenian tourism. This is because the key to getting and maintaining a competitive advantage of organizations in tourism is human resources development because in tourism, the employees are the individuals who provide quality and create guest satisfaction, as well as affect the level of productivity (Jerman et al. 2006, as cited in Bizjak et al., 2008).

Jerman et al. (2006, as cited in Bizjak et al., 2008) argue that in tourism a competitive advantage can be achieved in the following ways: by lowering prices, unique manufacturing processes, skills, methods of providing services, and the appearance and location of the destination. It also can be achieved by restructuring and making improvements to old products and quality service. This however, means a need for highly qualified staff and treating that staff accordingly. Because the environment in which employees work in the hospitality and tourism industry is rapidly changing, one must consider the evolutionary aspect of organizations and human resources which are presented in the next chapter.

The purpose of our paper is to design a new HRM model in tourism which will consider the existing HRM models as well as their evolution.

3 Evolution and human resources

To facilitate understanding of the impact and importance of individuals on organizational efficiency in the hospitality and tourism industry, we will use the evolution prism of business system models as the starting-point for a discussion on human resources. Kovač (2006) believes that as a rule, companies which are deeply rooted in the industrial era want to achieve greater success by the imitation and transplantation of better solutions which, in other contexts, have proven successful. This is so much easier in a rapidly changing and evolving business world. He draws attention to the fact that imitating others and transplanting the same solutions into a new environment cannot be a competitive advantage; but this is just an input condition, while the organizations should create their own distinctive competitive bases from their own unique resources, unique strengths and potentials. The method of implementation and its success depends also on the evolutionary stage of the development of the organization.

Besides other aspects determining the development directions of business systems, the differences between successful and unsuccessful organizations in the hospitality and tourism industry are also determined by the uniqueness and diversity of the network of coworkers and their development, their creative expression, potential, and imagination. This means that HRM plays a decisive role in creating the aforementioned differentiation and becomes increasingly important. It is also vitally important that the principles of the industrial age slowly disappear, as society is passing into a holistic economy within which the model shall be based upon following the rules of natural law, basic values and virtues of a world ethos which all religions share, as well as respecting equality between individuals (Kovač, 2006).

The development of human resources in general is changing. Accordingly, the treatment of people involved within single manifestations of business systems is changing in terms of the creation of added value and advancement from hard work through knowledge and creativeness to intuitiveness (transcedence). According to Kovač (2006), HR development is defined by nine sources for creating the winning factors which can also be applied to the activity of hospitality and tourism.

Psychological contract

The psychological contract is a set of mutual, mostly hidden expectations that both employee and employer share. Individuals who create within the learning environment are faced with a "calculative"[3] psychological contract, while the nature of the psychological contract in a thinking environment changes and becomes

3 Calculative psychological contract means that an individual has acquired various skills and is aware that they can be used. An individual acts according to how much he/she gets paid in a particular organization; thus he/she creates, where the payment is higher (Kovač, 2006).

"participatory"[4]. An informed environment is one which is characterized by "*identifying*" the psychological contract which provides for an individual's aspirations and identification with the needs and goals of the company, thereby creating a motivational formula. The point becomes "to be" - "to have" is understood as a result of "to be".

Reasons for education

Individual skills are also important in the work environment, typical for the hospitality and tourism industry. Individuals gain skills to be able to work, and therefore shall/can receive additional or other work, and be in a better competitive position. If individuals create in the learning environment, the reason for their education lies in gaining different skills. However, since the environment is changing, the individual needs different skills to be able to work at all. The transition to a thinking environment largely depends on the competence system which expands on individual skills and becomes one of the basic building blocks of relations between management and employees. This means that in the thinking environment, an individual learns to think, in the informed environment the assertion "I learn, that I am" is valid, the individual is aware of the element of social coexistence, and of the transcendence. Hence, such learning follows the idea of mind liberty and soul relaxation, self-actualization.

Proceeding method

Once, land-ownership provided the basic power while the individual was an instrument which cultivated land to enrich an individual's assets, a new evolutionary phase created the awareness of individual potential. Organizations recognize potentials in different ways, but a lack of comprehensive models is noticeable. E³HRM[5] fills this gap, among other things also with the disclosure of the personal profile, through the restoration of awareness of cognitive, conative and behavioral profile personality. In a thinking environment, understanding on the part of those involved (as resources) and proceeding people as an investment becomes a winning factor. Once this will become a starting point, the organizations which are able to master the informed environment will begin to be fully aware of the individual's unique value. The foundation of action will be the result of the value of a global ethos which is common to all religions and which will become the ethical basis of action. Dominant, of course, will be the work towards "*Do* unto *others what you would have others do unto you*"; and this will be internalized by individuals. Hence, the treatment method in particular forms of business systems is moving away from obedience, which doesn't lead to a competitive distinctiveness, through awareness of one's own talents and potentials of an individual and his/her values, to the uniqueness of a network of individuals, their energies, co-existence, membership and awareness of the social integration.

Activity focus

The activity center in the business or working environment finds answers to the question "WHAT" - what to do. In this way the worker is focused on the product/service and machines. This stage - "scientific management" - finds the winning factor in rescuing quality or regulatory processes and systems answering the question "HOW", which accompanies the transition to the learning environment or so-called "new economy" or "human management". By developing a database of expert answers to the question "HOW", becoming only the entry conditions, organizations are starting to look for new winning factors. The creative economy or thinking environment will direct the activity to focus on finding an answer to the questions "WHY" and "WHY NOT". This is a "self-administrative management" in which organizations and individuals begin to look for meaning.

Responsibility/competence

At the beginning of the evolutionary phase the development of business systems in a strictly hierarchical working environment results from competences and responsibilities concentrated in one person or a few individuals. There are increasingly complex changes

4 Participatory psychological contract is based on the fact that the individual is aware of the knowledge of others, willingness to cooperate in cross-functional teams and is looking for a sense of his/her own work. The individual knows that in this way he's/she's going to be more successful too (Kovač, 2006).

5 E³HRM is the methodology of strategic development of the human resource function to optimize the engagement of employees by creating an environment for development of thinking companies. The model was created by Violeta Bulc, Živa Gorup and Darko Kovač.

to the functional organization of the learning environment in the process organization; this means that the responsibilities and competences are delegated to several employees, a number of leaders, and the ideas of several leaders are implemented. The problem of a harmonized matrix of responsibilities and competences in the thinking environment leads to the growth of employee competence and confidence in themselves, which is then reflected in the generation of common ideas and delegating of responsibility to even more individuals. This still includes delegated responsibility, by which leaders give their employees power to implement their ideas. An informed environment brings with it expansion: the responsibility of every individual to realize his/her ideas is dominated by so-called empowerment. Empowerment is a process in which participants give and take the necessary autonomy to achieve both goals of the organizations and the individual personal goals. This means that the conscious individuals act according to their own conscience, also being ready and willing to accept the necessary autonomy that the environment is ready to provide.

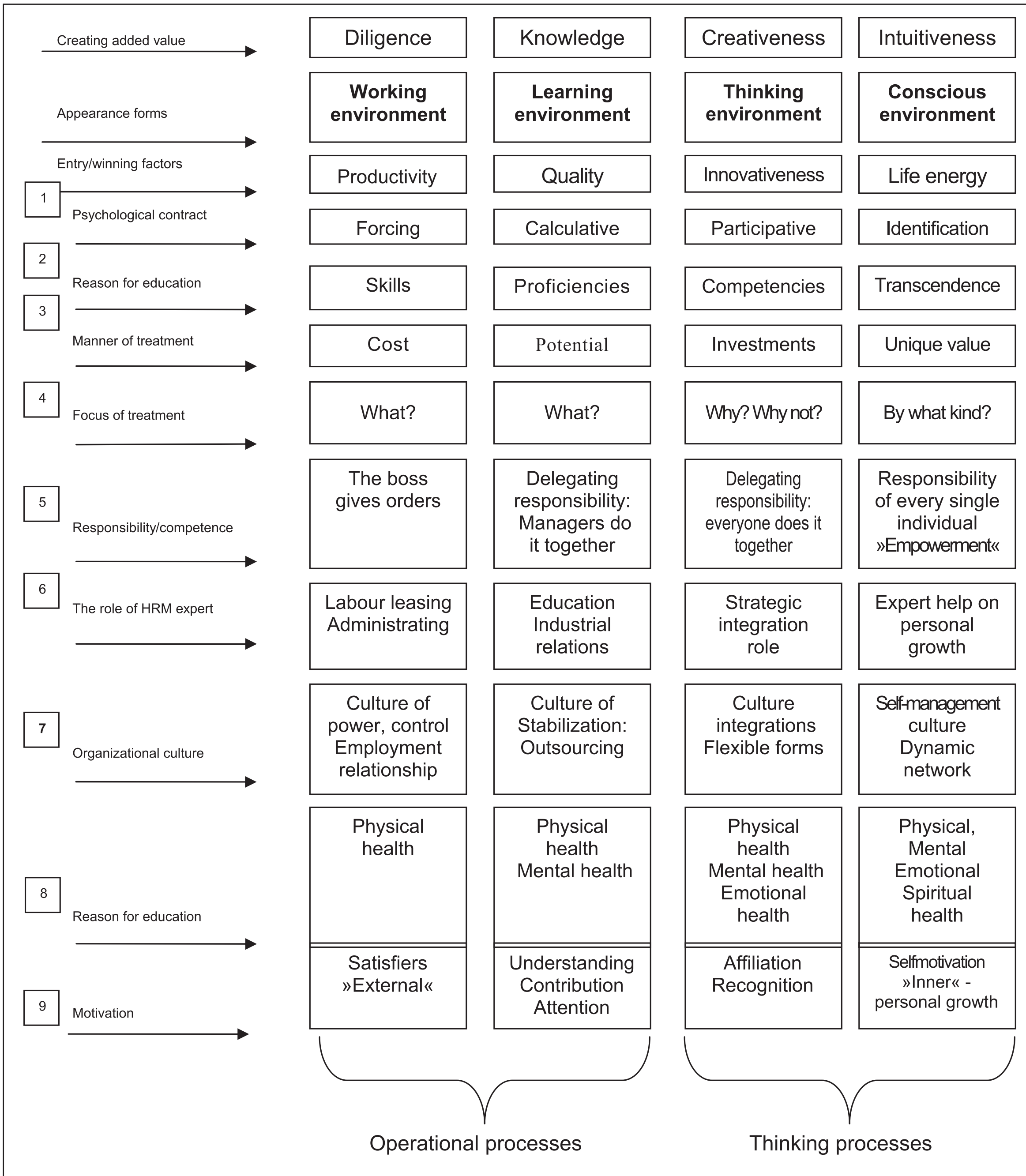
The role of HRM expert

The role of the expert and the HRM department changes in the transition throughout the individual appearances of evolutionary phases of business systems. As the individual as an employee becomes increasingly important, HRM experts gain new knowledge and modern approaches which also raise the necessity for their influence on the performance of organizations. In the working environment, the HRM experts have a supporting role which is reflected in administration, record keeping, preparing reports and various documents related to individuals, and assistance in hiring resources. In sophisticated working environments, the HRM expert's attention is also focused on how much employees cost. With the shift in the learning environment the role of HRM expert acquires new dimensions of industrial management challenges from (i) understanding the problems of work and productivity, (ii) advicing in dealing with human capabilities and potentials, (iii) organizing and executing trainings for managing of people, and other education. The transition of the organization in the thinking environment gives HRM experts a strategic integration role; they participate in the creation of business plans, they are members of administration, they integrate the aspect of human resources and business strategy development. The informed environment changes the role of HRM expert to a consultant aiming to assist in personal growth, who helps train and develop the basic human values based on natural law. This means that the HRM expert is recognized as a co-builder of community-conscious individuals who are connecting to each other as it is necessary and are in the context of "I am" also aware of the "social self".

Organizational culture

The rate of development of evolutionary stages or appearances of business systems defines the organizational culture in a particular stage. In the early appearances of business systems the decision-making power is concentrated in the hands of one or of a few individuals; in the work environment, the culture of power/control prevails. This appearance defines also a predominant method of integration of individuals through the employment relationship, which have the characteristics of the wage relationship. Once this is no longer a winning factor, it becomes an entry condition, which results in the establishment of the basic systems and processes in all areas of activity. Involvement of the individual becomes less strong, various forms of outsourcing appear. A so-called human management is established which is based on relationships. Therefore, the dominant organizational culture in the evolutionary stage of a learning environment is called the culture of stabilizing. When an organization or business system outgrows those frameworks as well, innovation on the basis of cooperation of several employees becomes a key source of the winning factors. The business environment is characterized by flexible forms of cooperation, shared decision-making power, increasing awareness of the contribution of each individual, the development of participatory models and the integration culture. This results in an informed environment, dominated by self-management culture based on dynamic net-

Fig. 1: *Model of business system evolution from the view of HR development*[1].



Source: Kovač (2006).

1 The upgrade of the model is intellectual property of the Institute for business growth and creativity.

works[6]. The organizational structure is invisible and dynamic network links are operated by informed individuals who are aware of its uniqueness and its justifying their contribution, while their social awareness (social self) is a source of activity. This means that cooperation and competition merge, systems are self-organizing, while the decision-making power is fully distributed.

Reason for personality development

Individuals who seek a reason for their personal development characterize organizations. In the work environment physical health is of paramount importance for an individual, enabling him/her to fight for basic existence. By increasing the development level of production inputs, the development of systems and awareness of the importance of knowledge in a learning environment, individuals become increasingly interested in addition to the basic needs also of the intellectual dimension from viewpoint of their own professional careers. The reason for the individual's personal development is mental health. In the thinking environment, emotional literacy is gaining importance. Empathy and concern for balance prevail in one's life and determine its development. This is upgraded in the environment of self-dominance or transcendence in spiritual health. The individual is looking for a reason for his/her own personality development in spirituality.

And motivation

The evolution of business systems also requires changes in key motivators and is therefore not surprising that after the transition to a learning environment, satisfaction is no longer sufficient; the individual wants to understand and to hold information on all events. Individuals want to match their need to contribute and also want attention. This means that the aforementioned needs are motivators. The leader's task is to give employees the opportunity to contribute and »belong« in the final decision and implementation of work. The thinking environment is marked by two motivators; those are appurtenance and recognition. Fulfilled motivational needs lead to selfmotivation, intrinsic motivation, where the basic motivational need is personal growth, while other needs are already satisfied. The distinctive factor will be aware, socially conscious, spiritually fulfilled individuals who will mount their behavior automatically into the values of world's ethos and be aware of the uniqueness of each individual and their talents. This guarantees them inner strength or self- motivation.

When they are mastered by the majority, the individual winning factors become an entry condition within the evolution phases of business systems. By that time the successful differentiation can be created solely by mastering the new winning factors. Thus, the winning factors become the entry conditions, the new winning factors arise, which again become the entry conditions. Before introducing the individual winning factors we are presenting the influence of them in the Figure 1.

4 Current human resource management models

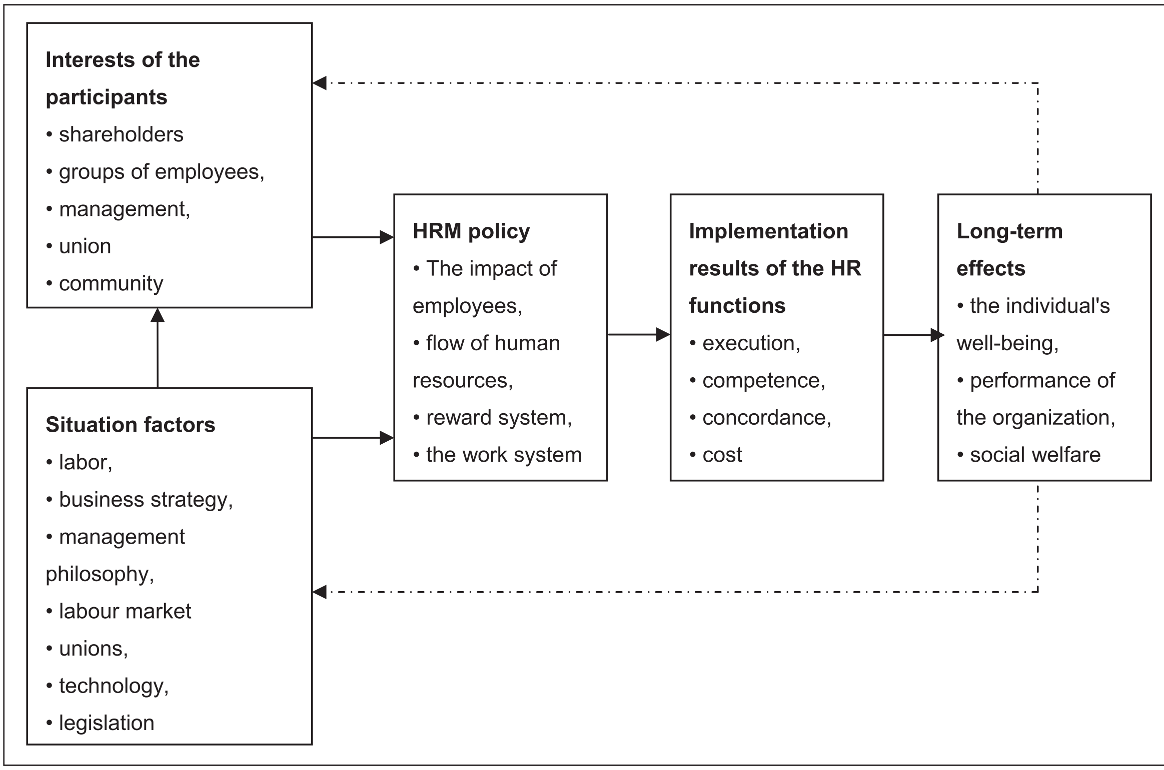
The presented evolution of business systems extends the current HRM models, which together with the presented starting-points provide the basis for a new model of HRM in hospitality and tourism. The new model is a combination of: (i) The Harvard HRM model, (ii) the HRM model based on business, the European model of human resources, linear HRM models and the HRM model , developed by Anthony, Perrewe and Kacmar (1993). For a better understanding of the modern HRM model in hospitality and tourism, we now present the models which it is based on.

4.1 Harvard Model of HRM

The Harvard HRM model is the most typical representative of soft models of HRM, dealing with man/woman as a social being. It covers the HRM relationship with the external environment and internal organization factors. It displays a link of groups that are associated with the organization in an unbiased

6 Dynamic network is an invisible organizational structure, which connects individual experts, usually through computers (Kovač, 2006).

Fig. 2: *Harvard Model of HRM.*



Source: Beer, Spector, Lawrence, Mills & Walton, 1984.

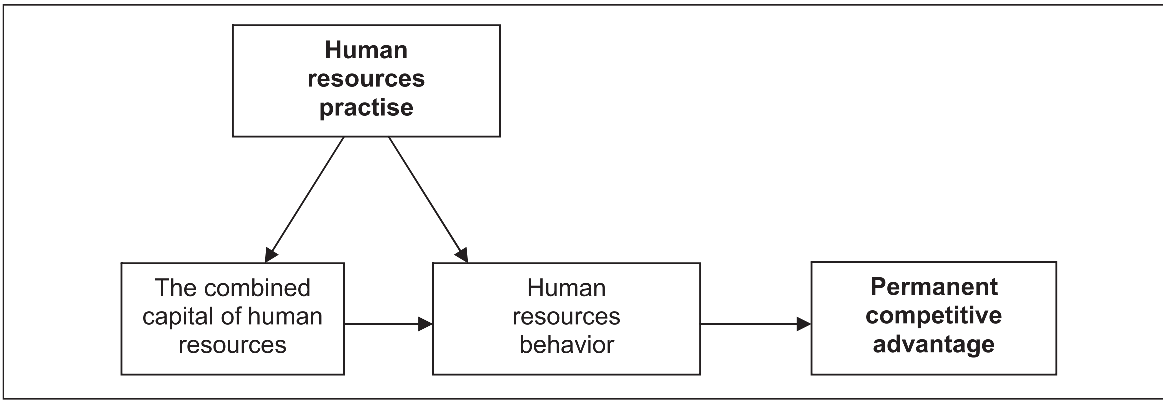
way (shareholders, management, groups of employees, government, community, trade unions), and situational factors related to HRM policies (labor, business strategy, management philosophy, labor market forces, trade unions, working technology, legislation), which affect the result of the implementation of human resources functions. Likewise, these results, through the aspect of long-term impact in the form of feedback, have an effect on both parameters. Long-term impact of the results of implementing the functions of human resources is reflected in the welfare of employees and the performance of the organization and social well-being of people (Beer, Spector, Lawrence, Mills & Walton, 1984).

The Harvard HRM model, shown in Figure 2, does not consider shareholders' interests and business efficiency of organization as a priority. Organizational performance is presented as a long-term impact of the results of the implementation of human resources functions, together with the personal and social well-being of the people. Therefore, organizations that follow the Harvard HRM model actively involve employees in strategic decision-making processes and give them a high level of participation at all levels.

4.2 Model of Management of Human Resources Based on Business

Consideration of business and its core resources stimulated Boxallo (1996) to create a model for the development of the strategic management of human resources which is also based on a company's resources. The model focuses on the relationship between internal resources, strategies and performance of the enterprise. The essence of design is to advocate the sustainable competitive advantage through human resource development as the company's capital to achieve strategic objectives, but they must be unique and therefore difficult to imitate by competitors. Beside behavior, the

Fig. 3: *Model of Management and Human Resources Based on Business.*



Source: Boxall, 1996.

model also emphasizes human skills, knowledge, and capabilities. Figure 3 shows that a sustained competitive advantage requires, in accordance with the model, a combined capital and human resources knowledge too, since the latter derives from management practices in HRM.

4.3 The Model of Human Resources Management (Anthony, Perrewe & Kacmar, 1993)

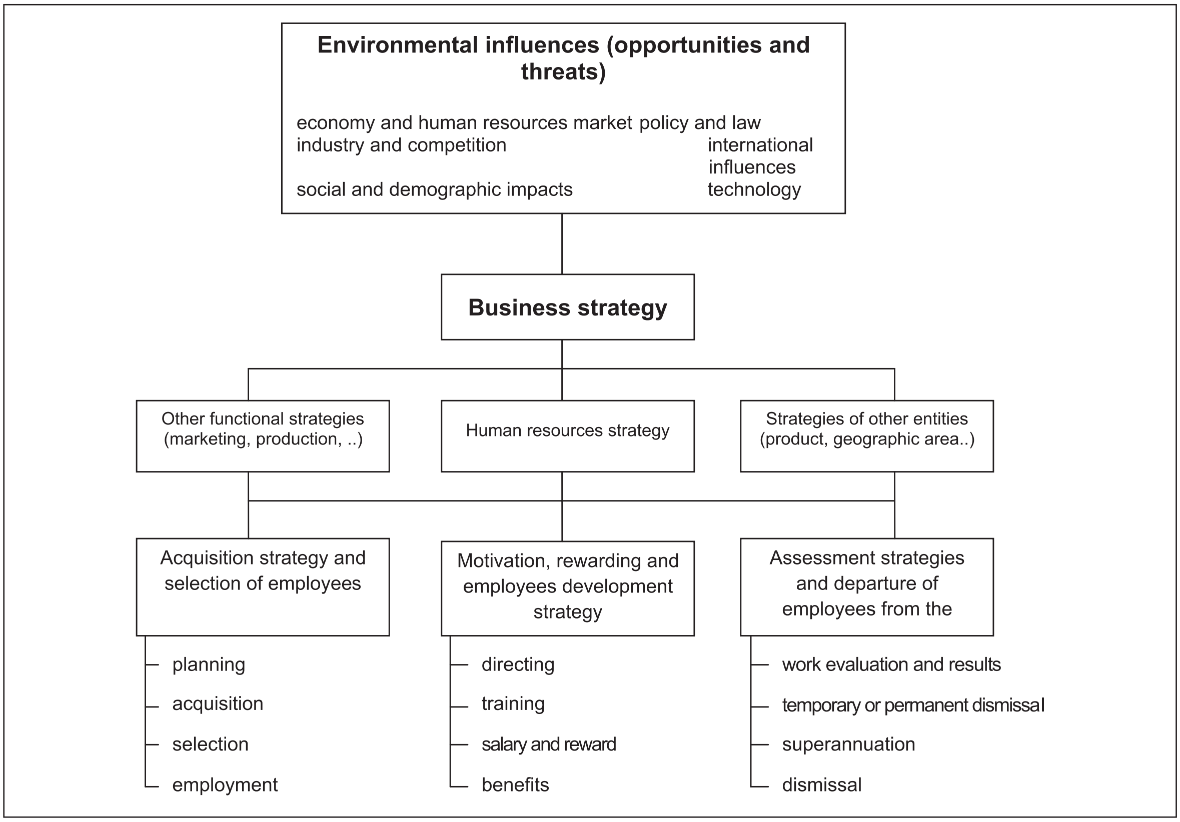
According to this HRM model, the opportunities and threats that a company perceived in the environment, affect the determination of its global strategy, and the latter determines the orientation of individual functional strategies. In other words, this means that the top management first chooses the business strategy as a whole and then determines the functional strategy to implement the initially chosen global strategy. But the individual functional strategy also affects the global business strategy. Before choosing the strategy, top management must consider the existing functional strategies. It should also take into account the strategy of human resources and the skills of employees in the company, because this is the only way to assess how effectively a global strategy would be executed.

Integration of the company's strategy with the strategy of human resources is shown in Figure 4. As we can see a series of functional strategies must contribute to the achievement of a (requisitely) holistic human resources strategy. These are mainly strategies that are developed for: (1) the acquisition and selection of employees, (2) motivating, training and rewarding, and (3) evaluation of work and departure of employees from the company. With a strategy of human resources, managers are trying to achieve efficient use of all employee skills to achieve both the annual objectives of the company, and the expectations and development of employees in the company.

4.4 The European Model of Human Resource Management

The European HRM model was developed by Brewster & Bournois (1991), who studied the impact of environment on the functioning of HRM. Organization and HRM are not only related to the environment, but they are also a part of it. The model defines the creation of human resources policy based on various influences of the environment (national culture, industry, etc.). For this model, as it's shown in the Figure 5, a successful combination of three elements is characteristic: government, trade unions and employees. It is particularly interesting in the perspective of the strong role of trade unions in creating the human resources policy, which differs from the United States. The model allows the impact of national culture on human resource policy and reflects the fact that European countries have a much more developed social aspect of employment than what exists in the United States.

Fig. 4: *The Model of Human Resources Management.*



Source: Anthony, Perrewe & Krcmar, 1993.

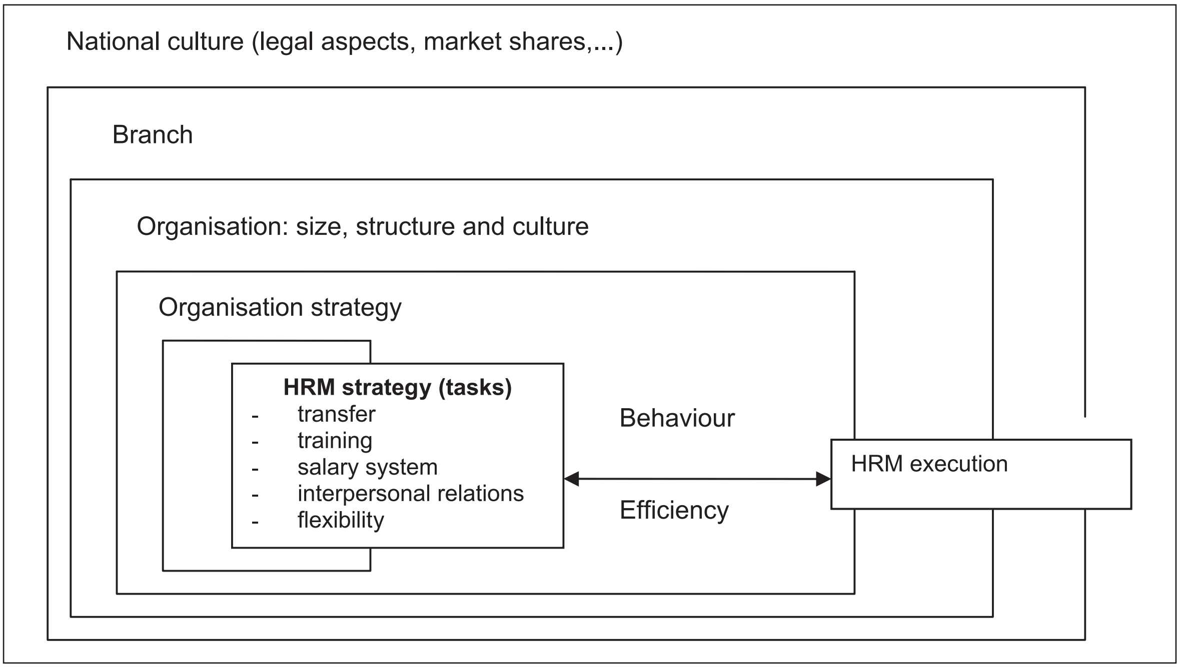
4.5 The Linear Model of Human Resource Management

The linear HRM model is based on the assumption that pursuing a strategy is a rational and linear process. HRM strategy results from the business strategy and combines specific strategies in key areas of HRM. The process takes place under the influence of external and internal organization environment which defines financial, organizational issues and HRM issues that need to be considered. The linear model of HRM, presented in the Figure 6, can not be used in a strict sequence of defined steps in practical circumstances. Research has shown that it is not possible to first establish a clear business strategy under which a series of interactive supporting activities in the CV would then be defined.

4.6 The New Model of Human Resource Management in Tourism

Our guideline on developing the model was: people are the critical dimension for the successful implementation of a tourist service, thus the successful hospitality/tourist organizations are marked by excellent application of knowledge about the way to recruit optimal employees, how to manage them, how to train them, educate and develop them, how to evaluate and reward their work, and how to ensure their vocational and personal development by means of the permanent learning process (Fáilte Ireland 2005a; as cited in Baum, 2006a). So the key themes of the contemporary HRM in hospitality and tourism, which are also included in the proposed modern HRM model in hospitality and tourism, are the following (Page & Connell, 2006):

Fig. 5: *The European HRM Model.*



Source: Brewster & Bournois, 1991.

- creating of reputation of the work in hospitality and tourism,
- education and training of the employees,
- consideration of the influences of globalization,
- limiting employee turnover, regardless of market fluctuation,
- flexible employment forms,
- providing the necessary skills for employees ,
- offering adequate wages along with remuneration and facilities,
- gaining a balance between work and non-work,
- consideration of legislation and government measures,
- ensuring competitiveness.

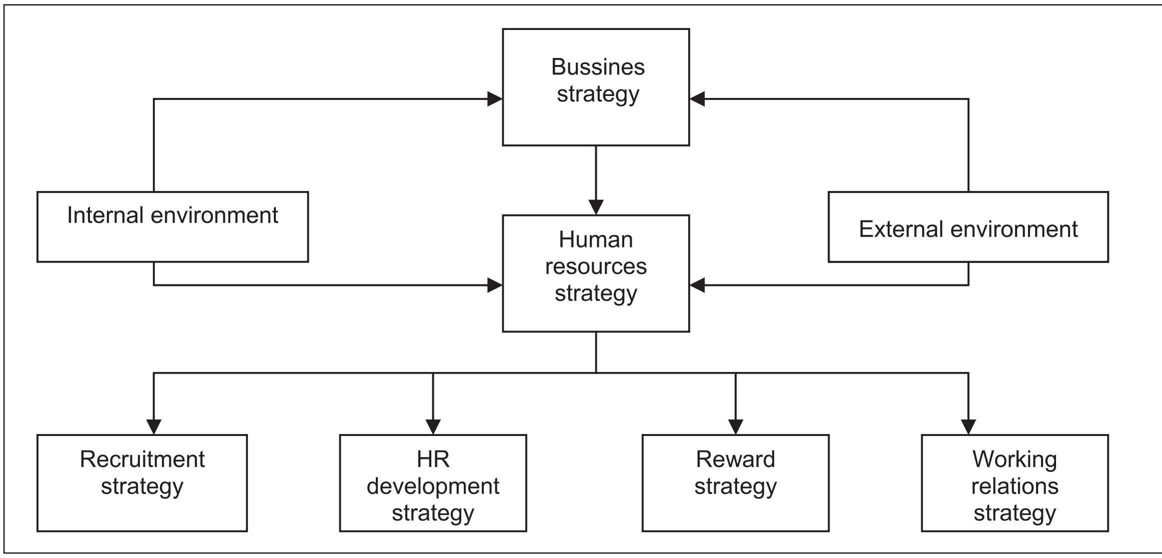
As a starting point we have also considered the necessity of a permanent and socially responsible HRM, which is referred to Baum (2006b).

The proposed HRM model in hospitality and tourism comprises the future challenges of HRM, which are mentioned by D'Annuzio-Green, Maxwell and Watson (2004). Here by relevance, are some of the challenges:

- ensuring affiliation, loyalty of employees in hospitality/tourist organizations,
- education and training of employees,
- quality of services,
- recruiting and selection of employees,
- team building,
- management development,
- professionalization of managers,
- business and finance awareness of employees,
- career planning,
- flexibility of the labour force,
- personal efficiency of managers,
- manner of appearance,
- etc.

The principal aim of HRM is linking all functions of human resources into an integrated form to reach strategic goals of organizations. The reasons for implementation of the suggested model that is introduced in the Figure 2, include the following factors: (i) restructuring of the market, (ii) decentralization, internationalization, mergers and acquisitions of the companies, (iii)

Fig. 6: *The Linear Model of HRM.*



Source: Armstrong, 2006.

endeavours for better quality of products and services, (iv) technological and other changes, etc.

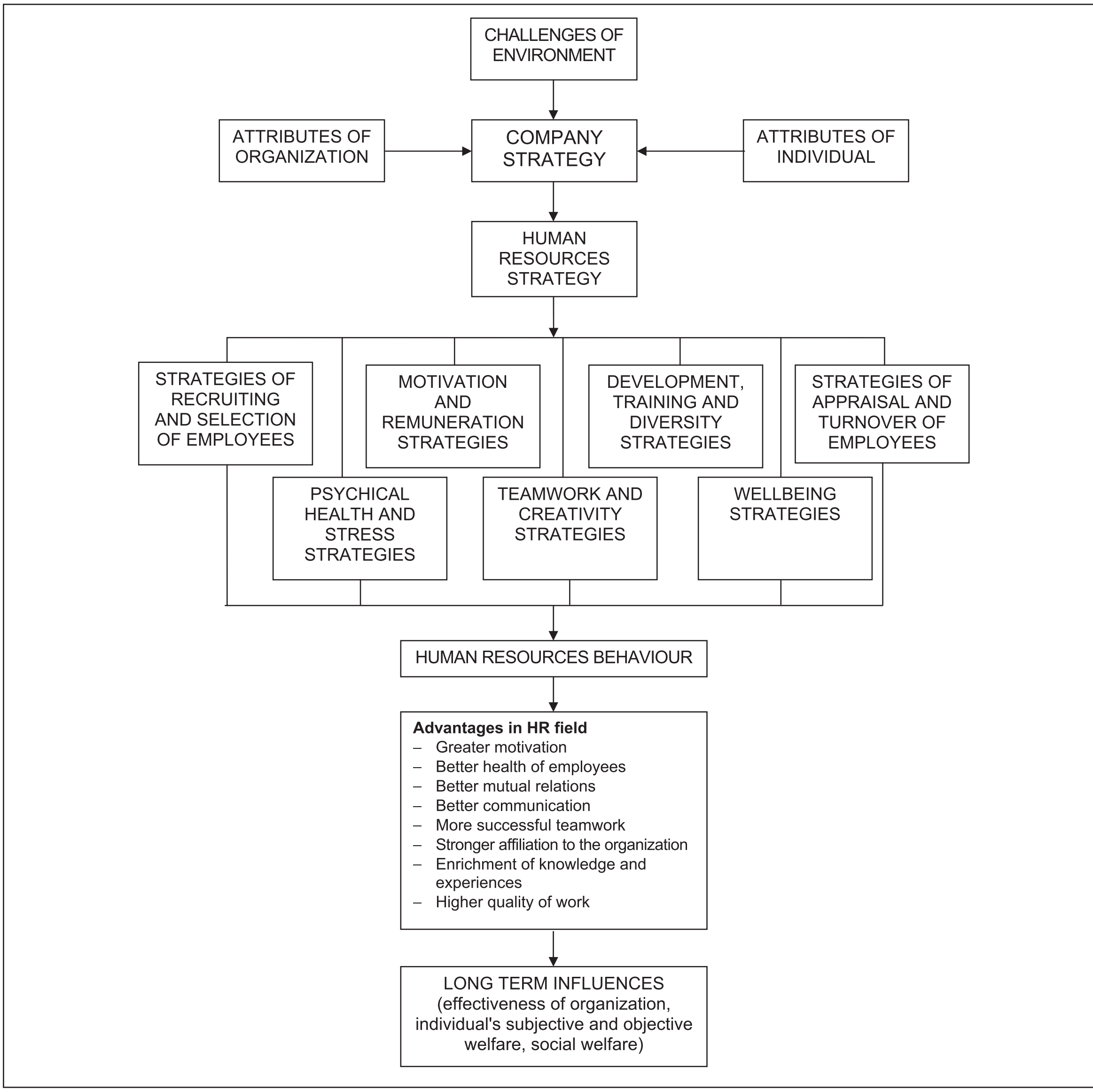
According to this model the attributes of individual and organization, as well as the environmental influences[7], determine the layout of global strategy which determines the orientation of single functional strategies including the strategy of human resources as well. The point is that the top management first selects the strategy of the company as a whole and then the functional strategies by which it strives to carry out the primary chosen global strategy. Every single functional strategy affects the global strategy as well. Before taking a decision about the choice of the strategy the top management has to consider the existent functional strategies. This act should include the strategy of human resources and accomplishments of the employees, as this is the only way to estimate how successfully the chosen global strategy will be carried out.

The integration of the company strategy with the strategy of human resources in hospitality and tourism is demonstrated in Figure 7. From the chart it is evident that several functional strategies are required which contribute to the realization of the (requisitely) holistic strategy of human resources. These are particularly the strategies made for: (i) recruiting and selection of employees, (ii) motivation and remuneration, (iii), appraisal of work performance and turnover of employees, (iv) restoring and ensuring wellbeing, (v) development, training and management of diversity, (vi) stimulating of teamwork and creativeness as well as (vii) securing psychical health and stress reduction. Following the suggestion made by Nickson (2006), upon determining the number of strategies we have borne in mind that it is of crucial importance in the organizations to reach hospitableness and ensure top innovative services that have to be performed in an adequate organizational culture.

The result of the aforementioned functional strategies is the behaviour of human resources in organizations that create numerous advantages in the field of human resources such as higher motivation, better health of employees, better relations and communication, more successful (team) work, higher assessment for the organization, enrichment of knowledge and experiences, better quality of work performance. The advantage results from various created synergies (from the technological, cost, management to psychological), increased creativity, increased employee confidence

7 The environmental influences the opportunities and risks in following fields include: (i) economy and personnel market, (ii) branch and competition, (iii) society and demographic influence, (iv) politics and law, (v) international influence, and (vi) technology.

Fig. 7: *Model of HR management.*



in the organization, and their greater affiliation to the organization. These advantages have a long-term effect reflecting in a higher efficiency of organizations, the subjective and objective welfare of each individual and in social welfare. Following we are introducing in greater detail the single above mentioned strategies related to human resources.

Each model also has some disadvantages. These are the danger that the organizations would implement the model only partly and not requisitely holistically. The advantage of this model is actually in its requisite integrity/wholeness. This is also its limitation.

Nevertheless, the model would contribute to the elimination of reasons for developing a new HRM model in tourism which we presented in chapter 2.2.

5 Conclusion

(Slovenian) tourism needs a new, modern HRM model, which will continue to provide accelerated development. The model that was developed for tourism is based on the evolution of business systems, attributes of the individual and the organization as well as the environmental challenges. All these affect the strategic management of the organization. It is a process in which management first defines the strategy at the organizational level or so-called global strategy for the organization. After having defined a global strategy, leadership uses these and defines different functional strategies, including human resources strategy. The purpose of the latter is the realization of the global strategy and reaching beyond the goals of the organization as well as meeting the expectations held by employees.

In the HRM model in tourism, we anticipate a series of functional strategies regarding human resources. The implementation of this strategy helps the organizations to create competitive advantages by human resources, such as increased motivation and improved employee health, better interacting relationships, better teamwork, greater affiliation to the organization, enrichment of knowledge and experience, etc. They also make a positive impact on the performance of the organization, an individual's subjective and objective well-being as well as on social welfare in general.

Restriction concerning the implementing the presented model in Slovenian tourism organizations as the basis of Slovenian tourism, is the level of their development, which is significantly determined by the awareness level of managers. Therefore the model might be realized incompletely and thus the set goals would not be realized.

Further development of HRM in Slovenia should be based on regular monitoring the satisfaction of students of educational programs in tourism, and on systematic monitoring of not only satisfaction but also the well-being of employees in tourism organizations. Employee affiliation must also be observed, because it indirectly expresses satisfaction with the material and immaterial rewards, etc. It would also be useful to implement the sugested model in the most important organizations and monitor its effectiveness which would further enhance the changes in education of the tourism workers and do so at all levels.

Integrativni in inovativni model upravljanja s človeškimi viri v slovenskem turizmu

Povzetek

Turizem je pomembna panoga tako za svetovno kot za slovensko gospodarstvo. Za Slovenijo je bistvenega pomena, da si v naslednjih desetih letih prizadeva postati dežela z razvito turistično kulturo, primerljivo z drugimi evropskimi državami. Pomembno je, da razvije sodoben model upravljanja s človeškimi viri, s katerim bo slovenski turizem premostil vrzel med različno izobraženimi kadri in ponudbo na trgu dela ter zaposlil vrhunske strokovne delavce. Spreminjanje vrednot, visoka izobrazba in izkušnje pa tudi vse večje potrebe in zahteve novih potrošnikov v turizmu zahtevajo izobraženo, komunikativno in inovativno delovno silo, sposobno ustvariti dodano vrednost za potrošnike. Za distribucijo, delovanje in upravljanje turističnih produktov, ki temeljijo na znanju, sposobnostih in zmožnostih zaposlenih, je zato treba zaposlovati visoko izobražene delavce. Pri tem je bistvenega pomena razvoj in izobraževanje človeških virov, katerega namen je izboljšati posameznikovo učinkovitost. Pri razvijanju modela upravljanja s človeškimi viri je treba posvetiti pozornost tudi drugim pomembnim vidikom.

Ključne besede: upravljanje, turizem, upravljanje s človeškimi viri, model upravljanja s človeškimi viri, model upravljanja s človeškimi viri v turizmu

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Safety and security as systematic component of wellness centres in Slovenia

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Abstract

The following study presents a legal review of all formal and technical regulations which directly or indirectly affect the safety standards in wellness centres in Slovenia in a systematic and comprehensive manner. One can define the significance of security as a competitive advantage in wellness oriented business activities. As well, security is becoming more and more important in the marketing of wellness oriented businesses as well as other tourism services. Due to the specific nature of wellness oriented offers, there are many different segments of security incorporated therein. Among these are care and concern for the health of guests, for their personal safety, the safety of their property and probably most importantly, care for the security of their personal information. It is this last element which enables guests to place their trust in a particular wellness centre since careful protection of personal information ensures the personal safety of guests.

Key words: wellness, security, personal integrity, quality, technical standards

1 Introduction

Tourism is becoming a globally economically significant activity which, at the same time, must be very sensitive to issues regarding security. The current global war on terrorism has placed security on a pedestal and made it into a social value which has edged out human rights and freedoms, the right to a fair trial and last but not least, human dignity (Mekinc, 2007). Greater risks trigger complex new security problems and challenges which are a mix of political, social, ecological and psychological factors. These factors define the level of threat on a global and local level (Ambrož & Mavrič, 2004).

In comparison to other important segments of tourism, security in tourism has been relatively poorly studied and consequently, it is a topic rarely written about. This is especially true for security in accommodation establishments where wellness-related activities are included. The publication entitled "Tourism, Crime and International Security Issues" (Pizam & Mansfeld, 1996) presents one of the first large-scale investigations of the key elements showing the relationship between tourism and security. The book includes four themes: tourism and crime, tourism and political instability, tourism and war, and the topic which most interests us - crime and the hotel industry. According to the authors, all the above mentioned factors have a significantly negative impact on tourism. Articles and research on the safety of tourist destinations and research on the impact of security issues on the individual tourist activity are easily found.

In each of these studies, the authors have researched the safety of tourist destinations as a component of the image of that destination (Milman & Pizam, 1995), the relationship between tour operators and destination safety (Čavlek, 2002), the impact of culture on police cooperation with the hotel industry in selected U.S. and Brazilian tourist destinations (Tarlow & Santana, 2002), the impact of crime on tourism and the hotel industry in Jamaica (Ajagunna, 2006), the risk of tsunamis in the Mediterranean and their impact on tourism (Camilleri, 2006), etc. A richer set of articles and research can be found in the area of the so-called micro-level study of safety issues in tourism. We wish to take a more in-depth look at the research of Shortt and Ruys (1994), in which the authors researched the attitudes of older tourists towards the hotel security issues while questioning which security precautions most influence the perception of older tourists regarding safety in hotels. Groenenboom and Jones (2003) studied the operations of hotel security services and their contribution to the success of hotel management in the first class hotels in the centre of London.

The researchers also dealt with the study of security management and crime in hotels (Gill et al., 2002), fire safety in hotels (Roberts & Wing Chan, 2000), safety for children on hotel playgrounds and tennis courts (Burstein, 1985), guest views on the safety of hotel websites (Law & Hsu, 2005) and food safety in catering (Hertzman & Barrash, 2007). When reviewing the literature on the safety of domestic tourism, we can trace a collection of papers from the Conference on Security and Tourism, but unfortunately there are no articles on security in wellness centres.

A systematic approach to managing hotel security can only be found in the Proceedings of Security in Tourism (Mekinc & Dobovšek, 2010), where Cvikl (2010) notes that approaches to managing security are complementary in various facilities which are engaged in service activities. A scientific inquiry about safety in wellness centres cannot be found anywhere and this is the reason why we have decided that our research should be focussed on a systematic review of all legal and technical regulations which determine the elements of safety in wellness centres. The aim of this article is to systematically and comprehensively gather and present all legal and technical regulations which are necessary to ensure the highest possible standards of safety and consequently, the highest possible quality of service in wellness centres.

We must be aware of the fact that now more than ever, security is now connected to tourism. The need for security around the world is increasing, especially after the events of September 11, 2001 and this is a theme for numerous expert round tables. Recently, security related issues which stem from a new strain of flu virus was put in the forefront of the media and at the time of this writing, a cloud of volcanic ash from the Icelandic volcano Eyjafjallajökull is threatening the European skies, causing difficulties and disturbances for air transport.

The race of innovative weapons is the colourful phrase by Baumola (2002), who describes innovation as a primary weapon of competition. Security in tourism is certainly one of those types of tools which various tourism-related businesses must include in their offer. Security as a value is at the top of the hierarchical system of values for all people. The response by individuals is exceptionally turbulent and uncompromising when their security is threatened and they experience what they perceive as a threat to their life. We hold the safety and security of our lives and health as of vital importance. The results of analyses from different parts of the world show that the impacts of safety incidents on the tourism industry are negative and far-reaching in all cases (Mansfeld & Pizam, 2006). This also holds true for safety incidents which occur at hotels, thermal spas and wellness facilities. The WEF - World Economic Forum (2009) also emphasises how important security is for tourism. It deals with security separately in every annual analysis of competition in the tourism industry. Furthermore, the forum considers security as a competitive advantage or disadvantage for a specific country as a tourist destination. Security as a value is also very important in making decisions when we choose a hotel wellness centre or a destination for our holidays. Occurrences of security related incidents cause a change in the perception of tourists regarding the risk which they are still prepared to accept in order to experience various tourist offers (Mainsfeld & Pizam, 2006).

The relationship between security and human rights is also transferable and comparable with the relationship between security on the one hand and freedom, genuine pleasure, discretion and the integrity of tourists on the other. Both relationships are reciprocal in their quantity and quality. Regarding the former, stricter security measures cause an obligatory reduction in and a restriction of human rights. In tourism, this fact is often directly applied to the relationship between security and tourism in the following way: the greater the assurance of security, the less freedom and genuine pleasure during tourism activities (Mekinc, 2009). Wellness tourism takes on a special significance since tourism and health-care services overlap. Workers in hotels and health resorts must be especially sensitive when it comes to guest security. Security is not separate from tourism, but is an integral element of it. Tourism services which do not include an element of security do not have the conditions for successful development (Rožič, 2006).

Data from the Euro barometer show that security is becoming more and more of an important factor for making decisions about tourism services or tourism destinations. The Euro barometer research in 2010 on the holiday making routines of Europeans pointed out that security is already the most important factor when deciding about holiday making for Danes, Cyprians and Maltesians. Even in Slovenia, security is an important factor in making a decision about a holiday for 18% of people. Security is positioned immediately after price (24%) and quality (22.2%). Furthermore, it is evident from this research that the question of security is more important for women (15.4%) than it is for men (10.9% of males surveyed) (The Gallup Organisation, 2009).

Relaxation and wellness programs are pursuant to the promotion of a healthy lifestyle and have been developing quickly at an above average rate over the last decade. Wellness tourism is one of the fastest developing industries in tourism in general. More stressful lifestyles have necessitated the creation of services which help to alleviate those stresses. Wellness services must be of high quality, since only a quality service represents a higher perceived value of the company and a competitive advantage against other providers of wellness services in the eyes of a user. An important segment of ensuring quality is undoubtedly security. One of the first writers on wellness to publish in the professional and scientific literature was Dunn (1961), who associated "the high degree of wellness" with the quality of service. Later authors, such as Travis (1988), characterized wellness as a service which protected humans from premature death. In the pertinent Slovenian literature we can also find similar views wherein authors emphasize that wellness is a group of decisions made in order to achieve the highest state of health, while at the same time wellness is not a cure but a way of life (Gojčič, 2005). Similar opinions can be found with Thomas et al., who define the "specifiers" of health in their wellness model "Health for human integrity". These specifiers are heredity, health protection, the environment and the way of life or lifestyle which have both positive and negative effects on an individual's health. An individual's responsibility for his own health is set in the core of the model (Thomas at al., 1993).

Ensuring security is a requirement and a minimum for the basic operations of a provider of wellness services; despite this, these providers differ greatly from one another regarding the level of security they provide. Not much has been written about wellness centres and security in Slovenia, which is why this is an area which will require some regulation in the future. Models exist (e.g. DOSTWELL) (MITZ, 2010), which hold the position of standardizing wellness services at the level of the European Union (EU), however, at the moment no one has applied themselves to the security of wellness services.

This research is based on a review of the entire legislation of the Republic of Slovenia, which directly or indirectly affects the safety and quality of services in the wellness centres in Slovenia. Using a methodological approach, we systematically reviewed and analyzed all the legal regulations in this field and sequentially eliminated the important parts which are directly or indirectly related to the opening, operation and management of wellness centres in Slovenia. We added the professional and scientific findings of international and domestic experts in the field to the regulatory reviews. The same regulations also apply to various other facilities such as beauty salons, spas, swimming pools, saunas, etc.

The purpose of the study is to analyze and synthesize the information in the field of legal regulations regarding the management of wellness centres and to expose the weaknesses based on the technical and scientific findings of other authors. For the first time, all the necessary regulations for the management of wellness centres are collected in one place. Based on our findings and the involvement of international comparison in this field, we have formed a synthesis of legal information and international opinions and findings published within the study area. The aim of the study was also to define the gaps and limitations in the research field.

2 The Development of Wellness Tourism

Wellness tourism is an integral part of the offer of various tourist agencies. To a greater extent the wellness offer also includes providers who are indirectly connected to healthcare tourism, e.g. hair and beauty salons, physiotherapists and institutes for rehabilitation, different therapists and dentists etc. All those providers who are included in the system of public healthcare, or offer wellness services as a supplementary activity, e.g. in swimming pools, hotel and fitness centres etc., the question of security regarding the offer of these services is not that exposed to such an extent because it is already covered in the basic activity of the wellness provider. Providers who have only just begun implementing wellness activities are often faced with numerous restrictions which relate mainly to various legal aspects to protect consumers. The basic mission of a country can be to provide different forms of security to its residents and visitors from abroad. During its accession into the EU, Slovenia had to harmonise numerous laws and other regulations with EU legislation. However, we can establish that the EU directive on tourism services does not encroach upon areas which are the subject of wellness activities. Tourism in the area of wellness has many faces but the number of standards in this area is relatively small. Standardization attempts within the framework of wellness provider associations have not provided adequate results thus far. In Germany for example, we can find that there are more than seven different wellness associations, which seek to assert their quality standards and to standardize the content of minimal equipment and service offers. All this is very confusing to consumers because they face difficulty when finding themselves in a network of different standards and content offers.

The content of the wellness offer refers to the area of guest accommodations (the wellness hotel), where specific safety standards arise in the area of food (healthy food) and drinks (beverages, drinking water), where safety standards are well developed for physical activity (physical exercises, swimming, hiking, to enhance physical capabilities, etc.), in which the European standard EN 15288 was enforced last year. This also includes bodily care and cosmetic services (beauty programs, body correction, etc.) where they have recently implemented standards on safety and consumer protection and on health services (examinations, therapies, baths, aromatherapy, etc.), where safety standards are at a relatively high level due to the direct and indirect involvement of providers also in public healthcare services. Standards have also been implemented on relaxation programs (meditation, yoga, etc..), mental activities (creative workshops, learning etc.), on spiritual activities, medicine (herbs, vitamins, minerals, etc.), on alternative medicine (acupuncture, reiki, homeopathy, etc.) and on esoterics (shamen, geomantics, Feng Shui, etc.), where we can find significant deviations in security standards, since they are relatively new to our economy, having been transferred from distant lands.

From understanding the content of wellness tourism we can conclude that wellness as a business incorporates many activities which offer guests mainly short-term effects. Inquiry into wellness tourism relates primarily to beauty programs and programs of indulgence, which is a very broad concept, as well as the availability of swimming pools and saunas, swimming and relaxation and of healthy diets and drink. Therefore we will focus attention on these types of offers, since the German analysis of F.U.R (ReiseAnalyse, 2009) on holiday motifs and demand of travellers in wellness tourism for the stated content achieve between 65% and 82% of the demand.

3 Security in Wellness Facilities

Wellness service providers usually deal with the question of security in the design of buildings and in the process of fulfilling conditions to obtain an operating permit. For facilities (except for the support and movable objects), in which wellness activities are also implemented, the Law on Constructing Facilities (Official Gazette, no. 12, 2004) states that they must be constructed in accordance with the legislation in the field of construction. Article 9 of the law states that facilities must meet the following conditions as to its purpose:

- Mechanical resistance and stability,
- Fire safety,
- Hygiene and health protection and protection of surroundings,
- Safety in use,
- Protection against noise and
- Energy saving measures and heat conservation.

The Law on Catering (2007) also states that the facility in which a catering service intends to operate must obtain an operating permit in advance, which often causes problems primarily for wellness service providers. Minimum standards are set out in the Rules on the minimum technical conditions and minimal services for the provision of catering (Rulebook, 2000). For example Article 9 states that the catering facility must have a clean supply of drinking water, a proper sewage system, fire protection, a connection to the electricity grid and a phone connection to the public telephone network. Since other legislation deals with fire safety and not catering legislation, we do not specifically deal with this topic despite it being a topic that is most often discussed in terms of safety in European institutions.

In 2008, the Ministry of Health Republic of Slovenia published spatial technical guidelines on its website for the construction of medical facilities, "TSG-12640-001: 2008 Health Facilities", which are published on the website of the Ministry of Health (2008).

These guidelines are related to hospitals, health centres and institutions for healthcare but are also used for planning the rooms used for treatment at health resorts where wellness services are provided. These guidelines are also used for private concessionaires in the Public Health Service. With the development of medical wellness programs, the practice abroad has been that the hospital budgeting covers a part of the cost of wellness services, provided that the service operates in the appropriate place with appropriate staffing and provides an adequate level of quality.

These guidelines are also important for wellness centres because wellness tourism in Slovenia is largely related to disease prevention and partially on medical rehabilitation activities at resorts, which is why the space requirements arising from these technical guidelines are important when designing a wellness offer. Technical guidelines provide safe working conditions for employees, for the implementation of these activities and provide a minimum of individual rooms depending on the type of therapy (Technical Guidelines, 2008, 148):

- kinesiotherapy - plays a major role in the treatment of the locomotor system; exercises are performed at a gym (team and individual) using various devices and accessories,
- hydrotherapy - the use of water for the implementation of physiotherapy techniques for achieving and maintaining physical fitness, obtaining flexibility and muscular strength; therapy is carried out in tubs such as the Hubbard bath, therapeutic baths, partial bath, etc.,
  thermal and krio therapy - the use of heating and cooling; therapy is performed on therapeutic beds, which can also be used for massage,
- inhalation (Respiratory Therapy) - implementation of breathing exercises, the need for privacy in the implementation of certain methods of respiratory therapy, the patient requires individual treatment in a separate room,
- electrotherapy and light therapy - the use of electrical power for the implementation of various therapeutic techniques (low frequency therapy, with diadynamic with interference currents, ultrasound waves with appropriate frequency, infrared rays, UV rays)
- psychotherapy and work therapy - helping patients achieve a specific physical function and achieve a desired mental state.

The Law on Safety and Health Republic of Slovenia (LSHO, 1999) also deals with the question of the adequacy of the spatial and technical options in offering wellness services. In Article 5 there is an obligation to take the necessary measures to ensure the safety and health of workers. This would also include the prevention of occupational risks by informing and training employees with the appropriate organization and the necessary material resources in order to prepare preventive measures. Furthermore, working and production methods that would provide a greater degree of safety and health at work would be selected. An additional requirement is that all these activities must be part of the overall activities of the employer and at all organizational levels. A Health and Safety at Work declaration (Article 14) must be adopted by the employer in written form, in which the methods and measures for ensuring health and safety at work are defined.

4 A Healthy Diet as a Wellness Offer

Healthy food has become the most common theme regarding the wellness offers in recent years. In terms of security, this issue is also fairly well organized in Slovenia, although this cannot be said for the level of inclusion of organic products in the wellness offer. When preparing food and drinks wellness providers must also comply with the principles and guidelines of good hygiene practices / HACCP (Hazard Analysis and Critical Control Point System) for the hospitality industry (2010).

Recently, even in our market there is ever more “magical food” with medicinal effects, nutritional supplements, lubricants, medicines, drinks, etc. of an unverified origin. Even wellness providers are not immune to the inclusion of such items in their offer because they are believed to have beneficial effects on the health status and feelings of users. Therefore, it is perhaps not even surprising that in some zoo in China as many as 60 endangered Siberian tigers[1] died in a very short period of time. There is a great demand for products that contain »miracle medicine« from the Asiatic region. Providers of wellness programs must comply with all regulations defining the (this is a source at the Ministry of Health (Ministrstvo za zdravje, 2010):

- quality and microbiological requirements for food,
- technical conditions for hygiene and sanitation for the production, sale, storage and other food operations,
- food additives, pesticides, veterinary drugs and other contaminants and their residues in food,
- control over the handling of food and
- provisions that define specific measures to protect against infectious diseases.

5 Safety in Swimming Pools

In Slovenia, a large part of the wellness offer relates to the offer of swimming pool programs, where the issue of safety is regulated in detail by the Law on the Protection from Drowning (LPD, 2007) and its implementing regulations. Last year, the deadline for the harmonization of national legal systems to new European standards in the field of swimming pools also took place called EN 15288. With regards to safety, the provider must provide the following services:

- the proper arrangement of work and equipment and resources for safety at work,
- the required emergency equipment and resources for water rescue,
- qualified employees for water rescue,
- full access to emergency and rescue equipment.

It is necessary to ensure the following activities for all swimming pools:

- continuous presence of the prescribed number of lifeguards, except in pools, where the common bathing area does not exceed 200 m^2 of the surface area and the depth of water in any part does not exceed 1.35 m,
- observation, rescue and first aid at the beach area and carry out other measures to facilitate uninterrupted and safe swimming,
- hygienic maintenance of facilities, equipment, apparatuses and instruments on the beach,
- statutory hygiene requirements for bathing water in swimming pools,
- publication of statutory notices in connection with the hygiene requirements for bathing water,
- other requirements prescribed for bathing water.

The biggest problem for operators of pools and saunas is providing the adequate quality of bathing water. Under the terms of the Rules on the minimum health and other requirements for bathing water (Official gazette, no. 73, 2003) the following must be provided:

- before entering the pool platform it is mandatory for visitors to shower and to disinfect their feet,
- children under three years old are required to use a swimsuit or bathing diapers,
- in the preparation of bathing water at least a residual disinfection effect and correction of ph values must be carried out,
- each pool must be equipped with devices for the continuous measurement of temperature, free chlorine, redox potential and the ph value of the bathing water and with automatic metering devices for the correction of value parameters,
- on a daily basis, it is necessary to replace, calculated on the user, at least 30 litres of bathing water with charging water, which is checked by the gauge for the quantity of added water,
- in pools that operate throughout the year, it is necessary at least every six months to completely empty, rinse and refill and put in chlorine for 2 hours throughout the circulatory system, including the swimming pools.
- the maintenance staff at the swimming pool facilities which operate year-round, must provide a sample of bath water and clean water once a month and the filling water once a year.

The issue of security for the operation of swimming pools is specified by the regulations on technical measures and requirements for the safe operation of swim-

1 Parts of the body of the Siberian tiger are used in traditional Chinese medicine.

ming pools and to prevent drowning in swimming pools (Official Gazette, no. 88, 2003), and amongst other things defines:

- access to toilet facilities from the pool deck must be designed and implemented so that a visitor can cross the special foot bath,
- the depth of water depends on the user's bathing area so that for children it shall not exceed 0.6 m, while the bathing area can be further divided into areas for young children, where the depth shall not exceed 0.35 m; for non-swimmers up to 1.35 m; for swimmers it can be more than 1.35 m and at least 1.8 m in places where jumping into the water from the edge of the pool is allowed,
- for swimming pools with a water depth of up to 1.35 m there should be at least 2.7 m bathing area for each swimmer, and for pools with a water depth of 1.35 m there should be at least a 4.5 m bathing area for each swimmer;
- each swimming pool must be equipped with prescribed signs about the dangers and obligations, prohibitions and notices which must be installed in accordance with the regulations governing indoor and outdoor pool signs and their installation.

6 Sanitary and Hygiene Standards in Wellness Centres

The rules on the minimum sanitary and health conditions for the performance of hygiene care and other similar activities (Official Gazette, no. 104, 2009) are also very important for wellness providers. The provisions of these rules also apply to saunas, baths, solariums, massage parlours and all other operations performed in salons for skin care, hairdressing and hair removal, cosmetic operations, pedicures, piercing, tattooing and other similar procedures.

In Article 4 of these regulations, good hygiene practice is stated, which includes:

- ensuring hygienic and technical conditions, – maintenance of equipment and utensils
- cleaning
- disinfection
- staff training and
- waste management

Rules for equipment sauna provide the following commitments:

The rules for sauna equipment state the following obligations:

- Instructions for proper use of sauna should be located in the change rooms; the instructions must indicate the requirement to shower before using the sauna, the recommended time for using the sauna and information on the temperature and relative humidity of the air.
- A notice must be placed in a visible location with information in highly visible and big block letters on health risks and restrictions on the use of saunas.
- The sauna must have a ventilation system which allows for efficient air exchange, the floors should be slip resistant; equipment for controlling the operation of the sauna should not be within reach of the user.
- In addition to the heat source there must be a hygrometer, thermometer, clock and alarm switch in the sauna.
- When additional humidifying of the air is being performed in the sauna, proper sauna drying must be ensured after its use.
- Areas in the sauna with high relative humidity must be smooth and allow continuous drainage of condensation, a pressure hose for cleaning and rinsing areas must be connected to the water system in the sauna and areas for seating and floors should be cleaned and disinfected at least once a day.

Given the technical requirements for tanning equipment these rules state:

- The operator must provide technical impeccability of the tanning bed, which is regularly maintained and serviced according to the manufacturer's instructions, including the regular exchange of tubes. Documentation must be kept on file.
- The operator has to measure the UV radiation of sun beds every three years with a legal person

who has an accreditation for the measurement of optical radiation.
- Solariums must be equipped with a counter to keep track of the number of hours of operation, a timepiece for measuring radiation, a cooling system, a ventilation system and an automatic disconnection system.
- Solariums must be fitted with additional screens and arranged in the room as to avoid unwanted exposure to UV radiation.
- The use of automated tanning beds is allowed only under the supervision of trained staff.
- At the time of exposure to UV radiation, the operator must provide users with the use of the appropriate protective eyewear which meet the requirements of the regulations on personal protective equipment and the applicable standards of the Republic of Slovenia in this field.
- When using protective eyewear for repeated use, they must be kept clean and disinfected after each use.
- There must be a notice in at least A3 format in the waiting room and in the tanning studio, with instructions in highly visible block letters on the safe use of the solarium, a warning about the health risks and on the restrictions on the use of solariums listed in Annex 1, which is an integral part of these rules.
- A table of individual skin phototypes and an indication of an erythemal dose or exposure time to UV radiation is recommended for each skin phototype must be placed in a visible area in the waiting room.
- Health claims about the positive effects of exposure to UV radiation when tanning on the health of people shall not be permitted when using tanning salons for cosmetic purposes.

7 Technical Security and the Protection of Personal Data of Guests

Guests of wellness facilities are often well informed, knowledgeable and have self-initiative, which is why it is also worth mentioning some of the provisions of the Protection of Personal Data (Official Gazette, no. 94, 2007) which classifies data on health status, ethnic and religious orientation amongst sensitive personal information. A provider of wellness services must also ensure adequate protection of personal data and their use. The law also explicitly states that personal data shall be collected only for specified purposes and are not permitted to be abused. In practice; however, we often encounter cases where hoteliers use personal information, resulting for example from the demand for tourist information or from the bill for a stay in an accommodation facility, or payment for a specified service used for promotional sales activities, although they have not been authorised to do so.

The trend of uncritical use of modern video technology under the pretext that it is in the interest of guests should also be mentioned. Article 77 clearly states that the video surveillance inside the premises can be carried out only in exceptional cases where it is strictly necessary for the safety of persons or property or to protect classified information and trade secrets; this purpose can not be achieved by milder means. The law prohibits the implementation of video surveillance in work areas outside the workplace, especially in change rooms, lifts and sanitary facilities.

The problem of the protection of personal data is also a concern of the European Parliament (2007) in the resolution on the development of European tourism which states that it requires the rapid development of information technologies in tourism, drawing up rules to protect consumer and personal data in electronic reserves for which the Commission should first carry out a preliminary analysis of a particular market.

In providing the physical and material security for a guest or their personal belongings and valuables, physical and technical security are usually used in the wellness facilities. Technical security involves protection through technical means, such as sensors, card readers, and especially cameras which are used to record and monitor events on the premises of the accommodation establishments and the immediate surroundings of the building. Physical protection covers the protection of the aforesaid premises with security guards. Regardless of the method of protection, it involves intervention in the private sphere of guest, since cameras record the movements of individual entities within the facility. Many times video cameras monitor the entrance / exit hallway, elevator and reception of the wellness centre and at the same time record the exact movements of the guest and their social interactions within the centre. We record highly sensitive personal information with the aim of protecting the guest. Even more delicate is the collection and storage of this information or recordings. Of course, the discretion of the guest from this angle is minimised and such measures are especially sensitive to the views of the potential misuse of personal data. It could be just unintentional abuse by the employee in an accommodation facility with the help of the collected data, when they monitor the movements of the guest and obtain their personal data. There of course primarily involves non-compliance with professional ethics by the employee. Alternatively, it could involve more serious abuse. The latter may already occur at the time of unprofessional storage and integration of personal data, which is not in compliance with the Law on the Protection of Personal Data. Alternatively, the data collected in accommodation establishments could be unduly forwarded to third parties.

With an increase in technical and physical security, the management of wellness centres ensures a reduction in the liability for any claims or lawsuits in the case of accident, theft and other negative occurrences. Due to increasingly aware guests, there will be some legal action taken for damages caused by any improper collection of personal data and misuse of personal data. The security of guests in all areas represents a great challenge for the management of wellness centres because though it can be touted as a competitive advantage, it can also turn into a competitive disadvantage if security measures are not implemented professionally.

8 Conclusion

Security as a social good is moving into the realm of personal property, while the responsibility of governments is increasingly moving onto the shoulders of individuals and businesses. High quality security systems for protecting buildings are among the most effective methods for ensuring safety within facilities. Of course, it is very difficult for the owners of wellness centres to build in high quality security system, since such a system represents a significant outlay of money. Cost rises sharply as a facility grows larger and is not a feasible investment for the short term, despite the fact that the price of security is not measurable. In Europe, the safety of tourist facilities, as well as wellness centres, highlights the particular technical aspect of the safety of guests, which is especially important for facilities of higher category. From the analysis of the demand of guests (Cvikl & Rumbak, 2009) it is evident that the role of safety equipment for the decision on choosing a hotel also increases when the category increases. Owners of wellness centres will have to be aware of their responsibility for the safety of guests. In Slovenia, no research has been carried out to determine whether the high turnover of staff in the tourism and hospitality industry has an impact on safety in catering establishments. Restaurants hire part time workers to take shifts mostly at weekends, when visits from guests increase and these part time workers are often students who do not know the guests, the safety devices or other security measures.

Wellness Tourism, as one of the fastest growing tourism industries, will have to raise the awareness amongst its employees regarding the importance of security in the wellness offer and recognizing that information and knowledge of regulations in the areas of wellness activities ensures quality. Expertise that is necessary for the implementation of wellness services will also be upgraded with an understanding of security. In the forefront is the quality of a staff, which offers and implements wellness services. It is important to ensure the minimal fluctuation in the staff of wellness centres, since knowledge of the guests, the security system and identifying suspicious individuals can do a great deal for the security of centres. Contract workers who work only at peak times, often students who do not know the guests, security devices and measures, make it difficult to contribute to a higher level of security. This is particularly important for owners, because of the competitive advantages offered by the high standard of security and of course, the quality of direct services. Nevertheless, high-quality wellness services that do not provide personal and physical security for a guest nor protect their personal integrity will not be successful and will not be profitable.

Varnost kot sistemska komponenta centrov dobrega počutja v Sloveniji

Povzetek

V pričujoči študiji je predstavljen izčrpen in sistematičen pravni pregled vseh formalnih in tehničnih predpisov, ki se neposredno ali posredno nanašajo na varnostne standarde v centrih dobrega počutja v Sloveniji. Zaščito lahko opredelimo kot konkurečno prednost poslovnih dejavnosti, ki se ukvarjajo s posameznikovim dobrim počutjem. Poleg tega postaja vse pomembnejša ne le pri trženju podjetij, ki se ukvarjajo s posameznikovim dobrim počutjem, marveč tudi drugih turističnih storitev. Glede na specifično naravo ponudbe, povezane z dobrim počutjem, pojem zaščite obsega mnoge različne segmente. Mednje sodijo skrb za zdravje gostov, njihovo osebno varnost, varnost njihove lastnine in, kar je najpomembnejše, zaščito njihovih osebnih podatkov. Prav slednje omogoča gostu, da zaupa določenemu centru dobrega počutja, saj skrbno varovanje osebnih podatkov zagotavlja osebno varnost gostov.

Ključne besede: dobro počutje, varnost, osebna integriteta, kakovost, tehnični standardi

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The use of techniques for increasing servers' tips

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Abstract

In a 1996 article in Cornell Hotel and Restaurant Administration Quarterly, Michael Lynn introduced the idea that restaurant managers could increase tips for there servers, and therefore reduce turnover, by training servers to engage in one or more of seven tip-enhancing behaviours. Since then, the list of tip-enhancing behaviours has expanded.

We tested fourteen techniques to increase tips. The study was carried out among 294 employees or 197 waiters in the Slovenian catering industry in order to find out how they use these techniques and which methods can bring about an increase in their tips. The study showed that Slovenian waiters don't use any of these techniques, and that waiters who do use them tend to receive tips more often. The findings imply that managers and employees should be informed of these techniques in order to increase tips and their overall income.

Key words: waiters, tip, tipping behaviour, catering industry

1 Introduction

The catering industry of today is facing increasingly complex challenges. Since guest perception of "quality service" is being taken more and more for granted, employee skills must evolve to reach their demands. For this reason, the managers as well as experts are trying to devise ways to persuade employees to enhance the quality of service, improve their motivation to work as well as intensify the labour output. At present, the system of remuneration is based on guaranteed salaries and regulated benefits. Due to the catering industry's work intensity, the increase of salaries and consequently labour costs is undesirable. Since the amount of their wages is not directly related to the quality of their work, employees can gradually become dissatisfied. These characteristics are not present only in the Slovenian business environment, but also in most of the developed Western countries. An innovative approach is thus needed to increase the motivation of employees without increasing labour costs or a comprehensive reform of reward systems. In our opinion, an increase in the share of tips in the income of employees is a viable method which could be realized through training of employees in techniques for increasing tips.

The methods for increasing service quality are implemented differently from country to country. Consumers around the world routinely leave voluntary sums of money (tips) for workers in the service industry who have served them (Lynn, 2009). In some countries (e.g. the USA, Great Britain) the tip represents the better part of the income that workers in the catering industry earn. In the USA especially, tipping is a "significant economic activity (tips in the US food industry alone amount to about $47 billion annually) that was claimed to improve service quality and increase economic efficiency, because it gives incentives to provide excellent service and therefore avoids the costly monitoring of workers" (Azar, 2011). Paul (2001) claims that after completing their meals, 98% of Americans leave a voluntary sum of money (or tip) for the servers who waited on them. In fact, "tips often represent 100% of servers' take-home pay because taxes (in the form of withholding) eat up all of their hourly wages" (Lynn, 2005, 3). Due to the liberal ways of the collecting and sharing of tips and the wide-spread presence of the practice among various social classes the theme proved interesting for researchers. They are mainly focusing on questions on the appropriate amount of tip in various settings, how tipping affects the quality of service and the mechanisms waiters use to increase their tipping related income (Lynn, 2005).

By and large, the research on tipping in Slovenia has not yet been carried out.[1] One of the main questions is how wide-spread the practice really is. A survey carried out among 790 participants showed that the guests on average earmark 6.11% of the value of the receipt for the tip. Since according to the survey only 44% of guests are actually tipping, this represents 2.71% of the catering industry's gross turnover (Raspor, 2007a). The survey also yielded the following findings: in the mid-low price range restaurants, tips represent 8% of the waiters' net wage, while in more upscale restaurants tips can go up to 45% of the waiters' net wage. Thus, tips on average represent 32% of the waiters' net wage. In gross income terms, tips in mid-low range restaurants amount to 5.5% of waiters' gross wage, in upscale restaurants 30%, and on average 23% of the waiters' gross wage (Raspor, 2010).

Due to the considerable amount of income generated by tipping, the importance of tipping in Slovenia is likely to grow in the future. This hypothesis is based on research which attempts to devise ways in which to improve the tourist industry's business operations. It is of great importance for the catering industry employees to know and apply methods to increase tipping. However, these methods are not easily transmitted from one socio-cultural system to another. The purpose of this paper is to first establish why tipping occurs, and then how this knowledge is applied among catering industry employees in Slovenia.

1 Andrej Raspor is in his research work interested in reasons that influence tipping, the correlation between tipping and quality of service and how tipping affects catering industry workers' flexibility and income. His work also deals with methods of teaching employees to know and apply techniques for increasing tips. Some of his recent contributions include comparison of tipping between the United States of America and Slovenia regarding legal regulation and taxing and analysis of demographic characteristics of tip givers in Slovenia. His research work is accessible (Napitnina, 2011).

2 How employees can affect tipping behaviour – theoretical framework

In the English language the most general expressions for gratuity of guests towards employees in the catering industry is "to tip (a waiter)". Also, sometimes the expression "drink money" is used (Foster, 1972; Lobb, 2001).[2] At present there is no law that requires that one must tip for services rendered (Wight, 2006, 1); the decision to leave a tip is left to the discretion of the customer. If the customer is satisfied with the service, they will tip, otherwise not (Raspor, 2002a). The tip is therefore an optional part of payment for a service but is nevertheless sometimes expected by the service employees for services rendered (Wight, 2006, 1). The amount of the tip is usually calculated as a certain percentage of the value of the receipt. Raspor (2002b, 143) defined a tip as a »gift for a high standard service«. Therefore, if someone wants to receive a tip, the service has to be of a high standard. Lynn and McCall's research (2000) also found this to be true: the participants in their survey linked tipping with rewarding the service provider for a high quality service.

2.1 The techniques waiters use to influence the amount of tip

There are many reasons for deciding on a certain amount of tip. Lynn (2004) collected research findings which demonstrate a positive correlation between certain behaviour on the part of service providers and the subsequent increase in the tip.[3]

The above table shows different techniques that researchers claim are in direct correlation with the tipping. As follows, a specific behaviour of service provider can substantially increase the tip, in some cases by as much as 140%. Simultaneously, there can also be a negative correlation between the service providers' behaviour and the customers' tipping. These findings form a basis for further research and implementation in everyday business operations. Lynn (2004) in his book »Mega Tips« asserts that the above mentioned techniques will first lead to a greater customer satisfaction and only then to a higher tip. On the basis of the above-mentioned research, the author of this paper formed the following hypotheses to be tested out among employees in the Slovenian catering industry.

2.2 Why customers leave tips?

The following research results showed a positive correlation between high quality service and restaurant tipping. Research findings mentioned in Parret (2003) imply that a customer is more inclined to tip because of satisfying service. First Raspor's research (2007b), carried out in Nova Gorica, Slovenia, showed the following elements of customer satisfaction to be of major importance: quality of food served (indicated by 80% of survey participants), amiability of restaurant personnel (indicated by 66% of survey participants), the atmosphere of the restaurant (indicated by 47% of survey participants), the taste of food served (indicated by 41% of survey participants), personnel professionalism (indicated by 39% of survey participants), and the price – quality ratio (indicated by 37% of survey participants).

The second survey (Raspor, 2009) showed that the customers of the casinos in Nova Gorica tip because of: amiability of personnel (indicated by 71% of survey participants), professionalism of personnel (69% of survey participants), speed of service (36%), and appearance of employee (25%).

3 Methodology

The aim of the study was to find out how employees in the Slovenian catering industry (especially waiters) use techniques for increasing tips and if the application of these techniques actually leads to an increase in

2 In 1972, George Foster, Professor Emeritus of Anthropology at UC Berkeley, looked at the origins of words meaning "tip" or "gratuity" in several languages. He found that, frequently, it evolved from 'drink money' -- supporting the idea that the practice began in eating establishments. Foster theorized that tipping started with a desire to avoid envy on the part of the server and to send the message that the server should have a drink at the customer's expense.

3 Research work which formed the basis of our survey is mentioned in Table 1. The various research findings are indexed by the increase of tip according to a specific technique. For a clearer overview we mention the authors of the research in the first column of Table 1, and are not mentioned later in the paper.

Table 1: Summary of experiments and quasi-experiments on restaurant tipping.

	Author of research	Tip Enhancing Action	Average Tip in the Control Treatment	Average Tip in the Experimental Treatment	Percentage Increase in Tip
1	Rodrigue (1999)	Call Customer by Name	14%	15%	10%
2	Rind in Bordia (1996)	Writing "Thank You" on Check	16%	18%	13%
3	Stillman in Hensley (1980)	Wearing a Flower in Hair	$ 1.50	$ 1.75	17%
4	Rind in Strohmetz (2001a)	Forecast Good Weather	19%	22%	18%
5	Strohmetz et al. (2002)	Give Customer Candy			
		Study 1 (fancy chocolates)	15%	18%	18%
		Study 2 (piece of candy)	19%	23%	21%
6	Lynn, Mynier (1993)	Squatting Down Next to Table			
		Waiter	15%	18%	20%
		Waitress	12%	15%	25%
7	Butler in Snizek (1976)	Suggestive Selling	$ 1.25	$ 1.53	23%
		(tip estimated at 15% of bill size)	p/person	p/person	
8	McCall in Belmont (1996)	Using Tip Trays w/ Credit Card Insignia			
		Restaurant	16%	20%	25%
		Café	18%	22%	22%
9	Rind in Bordia (1995)	Drawing a Picture on Check			
		Waiter drawing smiley face	21%	18%	—
		Waitress drawing smiley face	28%	33%	18%
	Gueguen (2000)	Bartender drawing sun	19%	26%	37%
10		Entertaining Customer			
	Gueguen in Legoherel (2002)	Share a Joke	16%	23%	40%
	Rind in Strohmetz (2001b)	Give a Puzzle	19%	22%	18%
11	Crusco in Wetzel (1984)	Touching Customer			
		Study 1	12%	17%	42%
	Lynn, Mykal in Sherwyn (1998)	Study 2	11%	14%	27%
	Renee in Zweigenhaft (1986),	Study 3	15%	18%	22%
	Hornik (1992)	Study 4	12%	15%	28%
12	Garrity in Degelman (1990)	Introducing Self by Name	15%	23%	53%
13	van Baaren (2003)	Repeat Order Back to Customer	NLG 1.36	NLG 2.73	100%
14	Tidd in Lockard (1978)	Smiling	$ 0.20	$ 0.48	140%

Source: Lynn, 2004.

tips. We claim our findings to be representative as the survey sample included different catering enterprises across Slovenia.

In accordance with the aim of the research we formed two hypotheses:

H1: »Waiters in the Slovenian catering industry do not use techniques for increasing tips«;

H2: »Waiters who use the techniques for increasing tips are more likely to receive a tip«.

3.1 Research methodology

To test the above mentioned hypotheses we used the following research design: on the basis of a literature review we devised the gathering of empirical data by conducting a survey (1) and executing the focus group method (2) among employees of the Slovenian catering industry. The focus groups were mainly used for clarifying the findings obtained by the survey.

We used the probability sample for the survey design. In order to test the hypotheses, statistical methods were used as well as analysis, synthesis and compilation. In the next section, the process of gathering the data and characteristics of the sample are described as well as the measuring instrument we applied.

Research project: Catering industry employees and tipping 2007

The gathering of data[4] took place between May 2007 and December 2007 (Table 2). The catering industry employees (waiters, headwaiters, head chefs, chefs, kitchen assistants, receptionists and heads of reception) were the target population. According to the Agency for Public Legal Records and Related Services of the Republic of Slovenia (AJPES), there were 1,644 catering enterprises[5] in Slovenia as of 31 December 2007.[6] After reviewing some other databases we supplemented our list of companies by adding companies that were not mentioned in the AJPES database. By using this method, we managed to include the majority of employees in the catering industry.

Among the enterprises listed in the above mentioned databases there were 80 companies that had more than 30 employees. They represented our final selection for sampling on the first level. According to AJPES, they employ 10,617 persons or 59% of the total number (17,600) of the employees in this industry. The data however, covers all the employees and not only the profiles we were interested in. For this reason, we estimated the total number of wait staff, cooking staff and reception desk staff by using more detailed data collected by SURS.[7] According to their data, there were 4,573 persons employed as wait staff (25.4%), 2,835 persons as kitchen staff (15.9%), and 963 persons (5.4%) as reception desk staff. The rest are managerial and supporting occupations.[8] Following these numbers we made an estimate of persons working as waiters, cooks and receptionists in the above mentioned 80 selected companies.

We then sent our questionnaire to each of the CEOs of these companies requesting that they make copies of the questionnaire and distribute them among their employees. From the first selected 80 companies 20 companies responded which in total manage 62 catering establishments (restaurants, bistros, coffee bars, hotels). The response rate achieved was therefore 25%. Our questionnaire was filled out by 294 respondents (127 male respondents and 167 female respondents). Their ages varied: 47 respondents were between 18 – 25 years of age, 60 respondents were in the age cohort of 26 – 30 years old, the majority – 144 were between 31 – 50 years of age, 29 respondents were between 51 – 65 years old and 1 participant was above 66 years of age. Their educational background was as follows: vocational schools – 108 participants, secondary school

4 The research was part of the author's doctoral thesis "The influence of tips distribution on the employees: comparison between the catering industry and the gambling industry" from the Faculty of Social Sciences at the University of Ljubljana. The thesis was comprised of 10 different surveys.

5 The enterprises are placed in group I CATERING INDUSTRY in the AJPES database, which is further divided into: I 55.1 Hotel industry, I 56.1, Restaurants and other types of catering enterprises and 56.3 Drinking Establishments (Ajpes, 2007)

6 The Statistical Office of the Republic of Slovenia (SURS) states there are 1720 catering enterprises in Slovenia for the same time period (SURS, 2007).

7 SURS warns that there can be inconsistencies regarding mentioned data due to mistakes in the process of companies reporting data to them. According to SURS 20% of work profiles can be miscategorised.

8 According to the SURS survey there are 17,320 employees in the catering industry. Together with other companies included in our survey there is total of 17,840 employees included in our target population. We should add that AJPES and SURS data on employees differ to some extent. This is due to Different methodologies: AJPES uses the average number of employees in a given year, while SURS collects data on 31 December.

Table 2: General information on »Catering industry employees and tipping 2007« research project.

Duration of research	2007				
Method of collecting data	Mail survey				
Questionnaire	Designed specifically for this project by author				
Site	Slovenia				
Group: Catering industry and Gambling establishments		Target population: Number of companies with more than 30 employees	Realized Sample	The share of answers with regard to target population	The share of answers with regard to business activity (catering industry)
Number of companies (Source: AJPES)	1,644	80	20	25%	1.2%
Employees (Source: SURS)					
Wait staff	4,537	2,700	197	7.3%	4.3%
Kitchen staff	2,835	1,687	71	4.2%	2.5%
Reception desk staff	963	573	26	4.5%	2.7%
TOTAL	8,335	4,960	294	5.9%	3.5%

135, higher degree 22 participants, university degree 12 participants and one participant with a Master's degree. The response rate in this group is 7.3% among wait staff, 4.2% for kitchen staff and 4.5% for reception desk staff.

Focus groups with the employees

We used this method for clearing up certain inconsistencies which emerged while surveying employees. The focus group method is a qualitative research method where the respondents are invited to a group session without prior knowledge of the conversation content. The topic is clearly defined by the research team. The moderator has a set of pre-prepared questions, but can also react to the debate in order to obtain clearer answers.

We carried out focus groups right after the completion of the survey in the years 2007 and 2008. The focus groups usually lasted 2 hours and 30 minutes. Moderating was performed by the author of this paper. We conducted focus groups in 5 catering enterprises (Sava Hotels; Hit Alpinea; Turizem Kras, Destination Tourism, d.d.; Hotel Astoria). We additionally carried out focus groups among the employees in one company involved in the gambling industry, Hit, d. d., in Nova Gorica, where two focus groups were conducted in IZC Perla and two in IZC Park. In total we carried out 8 focus groups with 100 participants.

3.2 Questionnaire

The questionnaire was comprised of several thematic components.[9] Within the scope of this article we will mention only the questions, which are relevant to the application of the techniques for increasing tips and the frequency of tipping. The answers to the survey questions were either YES or NO, or alternatively from 1 to 5 where 1 stands for "I always do" and 5 "I never do."

The focus groups were comprised of 20 participants, who were then later divided into groups of five. To achieve the consensus on the questions among group participants we devised a two phase procedure. In the first phase we looked for a consensus among participants in a smaller group, and in the second phase among the participants in the whole focus group. The composition of groups differed somewhat if the group

9 Due to the very broad range of questions that were included in the questionnaire we mention here only the most relevant for the content of this paper.

participants were from the catering industry (wait staff, kitchen staff, maids, cleaning staff) or from the gambling industry (also other employees working in casino – dealers, hostesses etc.). In the second phase the smaller groups presented their standpoints to the rest of the focus group participants, who then reacted to their expressed views. The question was put to rest when a consensus among all the participants was reached. Again, only the questions relevant to this paper are mentioned.

3.3 Data processing

In accordance with the aims of the research, statistical analysis of the collected data was performed by using the software package SPSS. In the first phase we conducted a univariate analysis and in the second phase we used the bivariate analysis to investigate the correlation between the pairs of variables.

4 Application of techniques for increasing tips – research findings

Catering industry employees in Slovenia (Table 3) rarely use the above mentioned techniques for increasing tips. Thus, 6% of employees do not use these techniques at all. All 14 mentioned techniques are used by only one respondent (0.4%). On the other side, among the wait staff, there are only three respondents who do not use any of the techniques, although at the same time not even one employee uses all 14 techniques. Employees apply 4.67 techniques on average, wait staff 5.64 methods on average (Table 6).

The techniques (Table 4) used by the majority of participants (more than 51%) are: smiling while working (75% in catering industry and 81.9% among wait staff), wishing the guest a pleasant stay (69% and 76% respectively), thanking the guest for the tip (61% and 76% respectively), asking the guest if there is anything else they need (59% and 71.8% respectively).

As follows from the table of techniques, accessorizing (7% and 8% respectively), sharing a joke (9.5% and

Table 3: Application of the techniques for increasing tips.

Catering industry			Wait staff	
Number of persons using specific technique	Percentage	Number of techniques used	Number of persons using specific technique	Percentage
16	6.20%	0	3	1.9%
2	0.80%	1	1	0.6%
18	6.90%	2	7	4.4%
24	9.20%	3	15	9.4%
35	13.50%	4	24	15.0%
48	18.50%	5	36	22.5%
40	15.40%	6	23	14.4%
29	11.20%	7	18	11.3%
23	8.80%	8	14	8.8%
9	3.50%	9	8	5.0%
9	3.50%	10	7	4.4%
3	1.20%	11	2	1.3%
1	0.40%	12	-	0.0%
2	0.80%	13	2	1.3%
1	0.40%	14	-	0.0%
260	100.0%	Total	160	100.0%

Source: Raspor, 2010.

Table 4: *Application of the techniques for increasing tips: catering industry.*

		Catering industry		Wait staff	
Techniques s by order of importance as established by the survey (Table 1)	Please, list the techniques for increasing the tips that you use at work (n=294)	The share of respondents that use specific technique among all respondents that answered the question	The number of respondents that answered the question	The share of respondents that use specific technique among all respondents that answered the question	The number of respondents that answered the question
1	(11)I smile while working.	75.20%	242	81.90%	155
2	(4)I repeat the order after the customer.	35.70%	229	47.90%	149
3	(2)I introduce myself by my first name.	17.30%	229	17.80%	150
4	(6)I shake hands with customers or lightly touch him/her in order to manifest respect	25.20%	229	28.30%	150
5	(9)I use jokes while working.	9.50%	242	12.30%	155
6	(7)I share a joke with the customer.	20.40%	228	23.90%	149
7	(12)I advise the customer on payment methods in use at specific venue and where the exchange or provisioning can be done (e.g. cheques, bank cards).	23.80%	242	31.30%	155
8	(5) I offer the customer additional service (coffee, refreshments, taxi service).	59.20%	228	71.80%	150
9	(3)While talking to the customer I come closer or sit next to him/her.	9.90%	229	9.20%	150
10	(13) I present customers with small complimentary gift/giveaways (sweets, pens, coffee, etc.)	25.20%	241	28.80%	155
11	(8)I wish a customer a pleasant stay in our restaurant/hotel.	69.40%	242	81.60%	155
12	(1)I use accessories which are not too conspicuous (badges, brooches, hair accessories).	7.10%	229	8.00%	150
13	(10)I thank a customer for leaving a tip.	61.60%	242	76.10%	155
14	(14)I use customer's name to greet him/her.	27.60%	242	27.60%	155

Source: Raspor, 2010.

Table 5: *Pearson's correlation coefficient between the number of applied techniques for increasing the tip and the frequency of receiving a tip.*

		How often have you lately received the tip?	
		Catering industry	**Wait staff**
Number of applied techniques for increasing the tip	Rank correlation coefficient	0.447**	0.222**
	Statistical significance (two-sided test)	0.000	0.005
	Number of respondents	275	160
**Statistically significant at $p < 0.01$ (a).			
*Statistically significant at $p < 0.05$ (a).			

Source: Raspor, 2010.

Table 6: *Number of applied techniques for increasing tips.*

	What techniques for increasing tips do you use at work?			
	Catering industry		**Wait staff**	
Frequency of receiving tips	n	Mean	N	Mean
Always receive tip, very often receive tip, often receive tip	119	5.92	92	5.91
Rarely receive tip, almost never receive tip, never receive tip	156	4.03	65	5.26
Total	294	4.67	160	5.64
t-test (difference between two means)	F=15,975, stat. sig. < 0.0005		F=2,615, stat. sig. < 0.108	
	t=5,821, stat. sig. < 0.0005		t=1,691, stat. sig. < 0.093	

Source: Raspor, 2010.

12.3% respectively) or sitting next to a customer (9.6% and 12.3% respectively) are used very rarely. If we compare the order of importance of separate statements in our research (Table 4) with the previous findings by other researchers (Table 1) we can observe major deviation in statement 2 (I introduce myself by my name) and statement 6 (I shake hands with customers). These findings point to the fact that employees still have some manoeuvring space for increasing tips by personalizing the service (introduction, physical contact). We can also observe the relative restraint of the employees who prefer not to share a joke with a customer or use jokes in general while working (statements 7 and 9).

By carrying out focus groups with employees, it was our intention to further explore why employees prefer some techniques to others and why some aren't used at all. We've learned that employees are not familiar with which techniques affect tipping and in what way. They also believed that certain techniques cannot be transplanted to circumstances in Slovenia for different reasons (e.g. internal rules forbid sitting down with the customer, it is too "American" to wear accessories, etc.)

The correlation between the number of techniques used and the frequency of received tip is positive (Table 5), that is the more techniques an employee knows and chooses to implement the more often they will receive a tip.

A medium correlation between the variables is characteristic for the employees in the catering industry

(Pearson's correlation coefficient 0.447),[10] while weak correlation is typical for the wait staff (Pearson's correlation coefficient 0.222): employees that use more techniques also receive a tip more often.

Employees in the catering industry who usually receive tips (always receive tip, very often receive tip, often receive tip) use on average 5.92 techniques, while those who do not receive tip (rarely receive tip, almost never receive tip, never receive tip) use on average only 4.03 techniques (Table 6). Wait staff who usually receive tips (always receive tip, very often receive tip, often receive tip) use on average 5.91 techniques, while those who do not receive tips (rarely receive tip, almost never receive tip, never receive tip) use on average only 5.26 techniques.

It has also been established that those employees who receive tips frequently (always receive tip, very often receive tip, often receive tip) characteristically use most of the techniques more often (64% or 9 out of 14 for those in the catering industry). 78% (11 out of 14) of the wait staff receive tips frequently if they use the techniques more often.

5 Discussion and recommendations

We can confirm both of the hypotheses:

Hypothesis	Statistical method	Results shown	Hypothesis confirmed/ rejected
H1: »Waiters in Slovenian catering industry do not use techniques for increasing the tips«	Descriptive analysis (comparison on the basis of shares)	Table 3 Table 4	Confirmed
H2: »Waiters who use the techniques for increasing the tips are more likely to receive a tip«.	Pearson's correlation coefficient t-test	Table 5 Table 6	Confirmed

10 To interpret Spearman's correlation coefficient and Pearson's correlation coefficient we defined the following scale: 0–0.1- no correlation; 0.11–0.3- weak correlation; 0.31–0.6 - medium correlation: 0.31–0.6 – strong correlation.

This research was carried out in various catering enterprises across Slovenia. We obtained relevant results on the usage of techniques for increasing the tips among Slovenian catering industry employees. The findings also confirm that employees who use the techniques frequently receive tips more often.

Therefore, the research can be of practical value to managers and team leaders for motivating their employees to offer higher quality service. The research results can be a useful tool for managerial personnel in order to motivate and direct their subordinates towards offering a higher quality service. In accordance with Wang (2010), we strongly recommend that mangers implement a policy of pooling tips.

The research highlights how techniques for increasing tips are applied among Slovenian catering industry employees and how the application of these techniques can influence the frequency of tipping.

Combined with the findings on the effectiveness of the aforementioned behaviours, this suggests that restaurant managers have an opportunity to increase their servers' tip incomes by training them to engage in these behaviours. Both common sense and prior research (Lynn 2002, 2003, Lynn & McCall, 2009) indicate that doing so will help to reduce turnover. This is not an answer for the turnover problem plaguing the industry, but it does promise to help and costs very little to implement. We invite managers to download a training manual entitled "Mega Tips" free of charge from the Cornell Center for Hospitality website (http://chr.cornell.edu) and to train their servers to engage in these tip-enhancing behaviours.

6 Conclusion

Our research showed that catering industry employees in Slovenia are not familiar enough with and rarely apply techniques for increasing tips. We believe there are several reasons for that: (1) the tipping was not traditionally part of the cultural repertoire of this country, (2) research on tipping techniques was carried out only recently, (3) the managerial staff do not know how to use tipping to stimulate their employees towards higher quality service and flexibility, (4) since it has been established that catering industry employees who use techniques for increasing tips receive tips more frequently.

The estimation on the overall amount of tipping indicates that the relatively high sums might be of interest also to legislators. Here, one can learn from the gambling industry; there tipping was first regulated and subjected to taxes at playing tables (dealers) and later also with other work profiles in the casino. Legislation dictates that the management of casinos must earmark the tips entirely for the employees' salaries. At the same time, the management team are excluded from the distribution of tipping income, and the distribution itself is dependent on the amount of tips gathered at specific work posts. In the catering industry however, tipping is not regulated, and thus presents an opportunity for both employers and employees. An innovative approach is needed to increase the motivation of employees without increasing labour costs or a comprehensive reform of reward systems. In our opinion, increase in the share of tips in employee income is a viable method which could be realized through training employees in methods for increasing tips. The methods to be adopted should, however, be adjusted to the specific socio-cultural environment in the country.

Uporaba tehnik za povečanje napitnine

Povzetek

Leta 1996 je Michael Lynn v reviji Cornell Hotel and Restaurant Administration Quarterly predstavil idejo, da lahko vodje gostinskih obratov povečajo napitnino in zmanjšajo stroške, če svoje zaposlene usposobijo s tehnikami dvigovanja napitnin. Če je bilo takrat predstavljeno sedem različnih tehnik, se je spisek teh načinov v tem času že povečal.
Sami smo v dejavnosti slovenskega gostinstva in turizma preverjali štirinajst različnih tehnik. Raziskava je vključevala 294 zaposlenih iz gostinske dejavnosti od tega 197 slovenskih natakarjev. Raziskovali smo predvsem, kako natakarji uporabljajo te tehnike in kakšen je vpliv posameznih tehnik na pogostost prejete napitnine. Glavna ugotovitev je, da natakarji tehnik, ki omogočajo prejemanje višjih napitnin praviloma ne uporabljajo. Tisti natakarji, ki pa jih uporabljajo, pogosteje prejemajo napitnino. Ugotovitve podpirajo razmišljanje, da je naloga menedžmenta seznaniti zaposlene s tehnikami za povečevanje napitnine. To bo vplivalo na napitnino in prihodke.

Ključne besede: natakarji, napitnina, prejemanje napitnine, gostinstvo

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A view from practice / Pogled iz prakse

Directing changes with the aim of improving Croatian hotel management companies[1]

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Abstract

When it comes to the re-conception of contemporary Croatian hotel management companies, the new business culture should be based on dynamic forces, change, transformation, perfection and qualitative innovation. The priority is to raise awareness about the importance of change, to encourage change, to actively proceed towards the future and to use one's ingenuity to cross barriers. Changes are taking place right now, and will also take place in the future. Important tools in competition are inventions based on intellectual capital. Being competitive implies understanding one's customers and anticipating their desires and needs (it does not suffice to adapt to contemporary taste, but a new offer and proactive marketing should be ahead of the curve). This paper defines tourism trends in the 21st century and assesses the competitiveness of Croatian tourism. Research in this particular case represents an innovation of offer in Croatian hotel and tourism management companies as a qualitative response to a globalized offer of foreign brands.

Key words: change, innovation, intellectual capital, Croatian hotel management companies, reengineering

1 The research results derive from the scientific project *"Logistics Flows Management in the Tourism Destination"* financially supported by the Ministry of Science, Education and Sports of the Republic of Croatia.

1 Introduction

The global 21st century tourism market is becoming more dynamic. New challenges and criteria of excellence lie ahead of tourism offer providers. Only those hotel and tourism companies which actively participate in designing their future by introducing change and innovation can develop and adequately participate in the competitive game. The key issue in this paper is how to introduce innovation into Croatian tourism and hospitality management companies. Or to be more precise, how to use existing resources (limited intellectual and financial capital) and an inherited, out-dated system of values to transform extraordinary natural resources into a competitive tourism product (i.e. innovation in the 21st century tourism; what are the features of the tourism product in Croatia and Croatian hospitality management companies of the future?). This product should be based upon permanent changes so as to multiply profit. The new offer should be based on intellectual capital and information so as to be able to anticipate change and re-conceptualize the development. The future belongs to leaders who are able to anticipate possibilities before they become apparent, and thus realize competitive advantages based on innovation (rapid response).

2 Challenges of the globalized 21st century tourism market

Tourism is developing rapidly. It is expanding and transforming into an entertainment industry, an industry of sports, active vacations, events, etc. Factors which introduce dynamic change into the 21st century tourism are:

- changes and development of tourist needs, tastes, desires, motives;
- mobility and high level of consciousness and information available to tourists;
- activity and the reactions of competitors in designing new guidelines of offer;
- innovation and the capability of management in tourism, where boundaries in content design are disappearing;
- imagination in generating a tourism product;
- the impact of globalization and multinational companies on tourism development.

Characteristics of 21st century tourism and economy are: the liberalization of markets and the increase in competition, connection, networking, clustering, integration, dynamics and complexity growth, the multiplication of the amount of information … 21st century tourism experiences enormous changes in all business segments in the globalized surrounding. Imagination and a tendency towards the new, different and unknown will establish new criteria of tourism demand and offer. The offer must be adapted to tourists' tastes. Moreover, one should be able to anticipate the needs of tourists.

Qualitative changes in modern tourism are (Stipanović, 2009):

- more frequent vacations (four vacations per year on average) related to a general decrease in the average duration of vacation (four nights per vacation on average);
- present-day tourists are experienced in organizing thei own vacations and are becoming more independent;
- less money is available for travel due to global recession;
- there are more operators in the sector and on the vertical and horizontal level;
- simultaneous existence of different types of offer designed for the same markets;
- increased competition.

Vacations shall become fragmented in the future. People will travel more often but the duration of each particular vacation to various destinations shall be shortened. In the transformation process of Croatian tourism, there is a need for distancing and transition from the classical technical conception of the destination from the aspect of its contents and capacities towards the notion of a destination as an integral identity and portfolio of events of the observed location or space. New market groups will come to exist; travelling motives will change and the concept of tourism will be reconceived. Each new arrival of tourists will need to be presented with new contents and events. Better service will be required as well. In times of recession, when tourists find it more difficult to travel, the excellence ratio of money paid to services received will be of the utmost importance. New trends which are present in hotel management are the differentiation (wellness, all-inclusive hotels, hotels for singles, golf hotels, tennis hotels, hotels for children, naturist hotels ...), while traditional types of hotels tend to disappear from the market. Furthermore, the offer must be adapted to each individual tourist (Segmentation 101) which may still be difficult to envisage. Tourism is becoming more focused on the individual. Quantity is replaced by quality, mass tourism by individual and a more differentiated type of tourism. The experience which tourists gather on their vacations becomes more important than the act of visiting a place itself. Croatian tourism and hotel management do not easily adapt to nor accept contemporary trends in tourism.

3 Analysis of competitiveness of Croatian hotel business

The quality of Croatian tourism offer has, in many elements, neither reached the value of natural and historical heritage nor spatial developmental opportunities despite all the existing developmental achievements. This means that Croatian tourism potentials have not been fully utilized. Quantitative indicators adapted to mass tourism are emphasised (e.g. in times of recession Croatian tourism records an increase in the number of tourists by 3 per cent and an increase in the number of nights by 5 per cent during the first seven months of 2010). However, financial indicators (realised income, profit, average consumption per tourist) are not shown. They demonstrate how limited the offer is and that it is restricted to the season only, which is also entirely based on natural resources. From the out-dated concept of mass tourism, destinations of elite tourism arise (Dubrovnik, Hvar). The success of these destinations is based upon successful entrepreneurship. They clearly show in which direction Croatian tourism should be developing.

There are a great number of complementary types of accommodation which makes the Croatian offer inadequate and uncompetitive (camps - 23%, private accommodation - 41%), the hotel accommodation structure is of poor quality (14% of overall structure units). All indicators show a limited reality of Croatian hotel business which is emphasized by the categorization of Croatian hotels; there are 104 two-star hotels, 315 three-star hotels, 142 four-star hotels and 23 five-star hotels (Croatian Ministry of Tourism, 2010).

Croatian hotel business companies are facing a crossroads of development. Their business philosophy, ways of thinking and out-dated and distorted system of values do not enable them to adequately participate in the competitive market game. Most companies do not envisage what development should look like. They also lack a defined target segment and are unaware of the challenges set by the turbulent market. Positional advantages based on natural resources and mass tourism are no longer attractive factors for potential tourists (richer tourists as a target segment) in times of global crisis and recession.

Qualitative accommodation offer depends on the ownership and management of hotel management companies. The following types can be distinguished in Croatia (Stipanović, 2006):

- Family Hotels (small and medium enterprise) represent the most efficient part of accommodation offer which can be most rapidly transformed and adapted to new market stimuli in order to introduce innovation into offer.
- Foreign multinational companies (foreign chains, brands) enter Croatian tourism with the aim of making profit, the side-effect of which is the increase in quality and more fervent competition.
- Domestic national chains develop by means of changing the way of thinking and acting, the affirmation of a new generation of managers, the revitalisation and reengineering of business.
- State companies – the greatest issue at hand is the privatisation of these hotels as a foundation for restructuring and redefining business policy in order to become competitive.

A qualitative analysis (offer analysis, SWOT analysis, benchmarking analysis, analysis of attitudes and evaluations given by tourists) and quantitative analysis (indicators of efficiency, profitability, effectiveness, productivity) show that an average Croatian hospitality management company lags behind the foreign competition considerably. Croatian hotel business must aim at improving and innovating offer of all facilities, whereby special emphasis is laid on the development of family enterprise. Small family hotels are the most desired tourism product in Croatia and have a constant rise of turnover and money spent per guest, with a prolonged season. They represent an impetus for the transformation of Croatian tourism from mass to an elite destination. They are also a synonym for sustainable development, offering a family atmosphere, cultural exchange, tradition, but also a way of opening up new jobs for the local population and improving the standard of living. Small family hotels are a part of the new image of Croatian tourism. The secret of their success lies in flexibility, an ability to react quickly to tourism stimuli; i.e. constant improvement and innovation of offer.

In order to improve competitiveness of Croatian hotel management, it is necessary to provide 100.000 new high quality hotel beds. It is believed that reconstructing existing houses and transforming them into small hotels and building one thousand new family hotels within the next 7 to 10 years, could cover 70 per cent of the necessary accommodation (Croatian Ministry of Tourism, 2010).

In order to improve hotel offer, it is necessary to implement a new system of values based on learning, knowledge and a new customer relationship management with an affirmation of new strategic directives.

4 New strategic guidelines of Croatian hotel tourism companies

A transformation of Croatian hotel business companies along with an affirmation of family enterprise, the entrance of foreign chains and the creation of national tourism corporations, privatisation, the re-conception of state hotels with an emphasis on new strategic guidelines and the redefinition of business philosophy offer a possibility of making Croatian tourism competitive with leading European receptive tourism destinations. The competition of carriers of offer must lead to a qualitative reformation and the enrichment of offer adapted to contemporary tourists' needs, i.e. new quality of Croatian tourism.

A precondition for the development of hotel tourism enterprises is to let go of the former system and to adapt to a new system of values by means of privatisation, restructuring, standardisation, IT, the education of a new generation of managers and life-long learning. Innovation, diversification and the improvement of hotel offer should be a primary guideline in order to create an excellent and unique offer. The key lies in activating innovation capacities, i.e. the ability to undertake innovative activities so as to exploit knowledge within a company. The ultimate goal of such activities should be business success (Jurčić, 2010). A specialized and differentiated product presents fundamentals upon which the positioning of subjects of Croatian tourism offer on the global market should be based upon in times to come. "A strategic orientation of a company implies decision making in order to achieve superior performance (there are four ways in which companies approach the market and create processes: the prospector, defender, analyst and reactor) (Miles & Snow, 2003). In other words, there are three levels of Porters competitive advantage (price, quality, focus). Contemporary companies are setting up new strategic guidelines directed towards competition (benchmarking, business intelligence) and the process of satisfying demand (CRM, TQM) by establishing intellectual capital. They actively monitor their rivals' activities and changes in customer behaviour. The 21st century knowledge can't let go of old attitudes and turn to new ideas. It should focus on real intelligent knowledge which must find application in everyday situations in order to generate new trends and solve real life problems. Its real affirmation stems from the organisational concept that is based on a constant updating of knowledge and on an intelligent company.

Unfortunately, the process of reengineering is quite unknown in Croatia. There is no awareness of the necessity for reengineering as a response to more drastic changes (factors which influence the success of a project by improving business processes: directing changes, ability, organisational structure, planning and managing projects, IT infrastructure (All Mashari & Zairi, 1999)). A resistance towards change arises because of a fear of loss of power within a company or a lack of quality and inventiveness on the part of top managers who do not have a clear developmental vision. All this has a negative repercussion on present-day and future Croatian tourism and hotel management. Companies with such management are destined to fail, and tourism in such surroundings will probably disappear from the market.

Each company should be oriented towards the future and seek to acquire new knowledge and skills in order to satisfy evolving tourism needs. The issue at hand is how to transform traditional, inert and non-inventive companies as quickly as possible into inventive companies and organisations which are constantly learning. The future cannot be predicted. Rather it is susceptible to tailoring. The offer should not only adapt to current market stimuli, but act in advance since it is slow by nature. "The greatest danger in turbulent times is not the turbulence itself but the way of acting according to yesterday's doctrine" (Drucker, 1992). Therefore it is necessary to offer a new conception of development that will be shown with the help of the example of Liburnia Riviera Hotels, d.d. Opatija (how to turn declarative knowledge and awareness about change into competitive activities in order to innovate offer).

5 Reconceptualisation of the development of Liburnia Riviera Hotels d.d. Opatija

Liburnia Riviera Hotels Opatija is one of the leading hotel chains in Croatia. Their management policy follows the hotel business tradition of the Opatija Riviera. Their 15 hotels and 6 villas (1.969 rooms with total of 3.721 beds) offer a high quality hotel product on the Adriatic coast. At the same time, they represent a framework for the development of the local community and an improvement in the standard of living. The company employs 850 full time workers and 200 seasonal workers (LRH Opatija, 2010). The transformation from the former system of arranged economy into a new system was crucial for the development of the company, as were new rivals (foreign hotel chains, national hotel chains, family hotels) which dictate new criteria of contemporary business. The two stages of development include the period when LRH had absolute market dominance, and the other refers to market competition and new demands of present-day tourists. The company was burdened with problems, financial issues, uneducated personnel, a traditional organisational model and a system of management retaining the old business philosophy which lacked an explicit and clearly defined developmental concept, bereft of new ideas and innovations. The business policy of selling facilities in order to reconstruct other facilities has not resulted in success.

The privatisation process of LRH began in 2005 (by selling LRH d.d. to SN Holding, the government was looking to repay the debt of 1,2 billion HRK to SN Holding which was incurred during coupon privatisation in the 90's). After two futile attempts at taking LRH over and numerous disputes between the state and investors, the government transferred ownership of 54 per cent of the shares to SN Holding on 27 March 2010, while the control package remained the ownership of the town of Opatija and neighbouring units of local administration (25 per cent+1 share) (SEEBIZ, 2010).

The question arises as to how to achieve the fastest qualitative leap forward and what kind of change the private owner has to initiate and how to change the mind-set and culture of the employees.

The aim must be investment, qualitative transformation and a reengineering of the company with a clear business vision, a reconception of development, the flow of fresh capital (negotiations about the annexing of a foreign chain – Kempinski to Hotel Kvarner) and interaction with a vision toward destination development (based on contemporary conditions to set goals and strategies for development).

It is necessary to find a way to transform large sleeping rooms in hotels adapted to mass tourism into flexible hotels which will adequately respond to the needs of 21st century tourists. Two questions come to mind:

- How to be better, to be different from the competition – what are the new tourist contents, how to include globalised trends into autochthonous values?
- How to recognize, anticipate and adapt to new tourist tastes, how to be ahead of tourist preferences?

The contemporary advertising slogan refers to comfortable rooms, exciting bars and restaurants, conference rooms, wellness, recreational activities, outdoor activities, as well as other activities. All of these elements indicate an offer that is not unique and exciting enough. Contemporary activities and events do not present a significant qualitative leap (Liburnia, 2010): open doors wellness, promotions of cakes, pancakes, Cosmetic News, Orchestra Academy Ossiach concerts …

The re-conceptualization of the development should include enriched contents, animation, affirmation of the entertainment industry and active vacation, thus creating a unique experience for tourists and a quality of service that will differ from the existing offer in the macro-destination in order to achieve competitive advantages. This can be particularly seen in the challenges facing the dynamic market and the recession (although finances are not the key issue, but are necessary for investments). LRH needs to distance itself from the competition by offering better a quality of service and an innovative product with a maximum experience for tourists. Hotels need to be distinguished from one another. The target segment needs to be defined and details important for the choice of a particular destination to be established.

A company can realise its competitive advantage by diversifying from rivals; that is, by implementing a concept that will result in remarkable success (Brewster, 2007). LRH d.d. must assume an active role in increasing its attractiveness as a destination (tourists choose a destination first, then service providers in the destination), i.e. in the transformation process from the destination product to destination event and from destination marketing to destination management. It is necessary to invest in an improved quality of accommodation capacities and new content tours and events which are missing and which could lead to a prolonged season. Future development must include a synergy of hotel product innovation (innovation, complete product of the destination) and promotion (uniqueness, creating a brand) in order to reposition the product on the market. Top companies do not believe in perfection. Rather, they believe in constant improvements and changes (Peters & Waterman, 2008). LRH d.d. Opatija has to be able to gather information quickly in order to use the same information to adequately respond to market challenges. The process of innovation includes constant change as a result of learning and constant learning in order to introduce new changes. If we want to succeed in a world where nothing is predictable but the rate of change, then we need to be able to act more rapidly.

LRH d.d. needs to adopt following business determinants in order to develop further:

- The necessity of constant change and a quick, direct response to that change
- Orientation towards innovation and improvement in conditions where there are no permanent competitive advantages
- Orientation towards tourists (CRM)
- Orientation towards the competition (benchmarking and business intelligence) in order to increase competitive advantage.

A prerequisite for development is the reengineering of the company, a change in business philosophy and the education of a new generation of managers in order to surpass the gap between great ability and limited reality. Restructuring should solve the financial issues of the company (financial problems of the city of Opatija as the owner of the control package which can hardly invest into the development of LRH d.o.o.) and set foundations for future business with potential new philosophies and re-conceptualization. Reengineering should include a change in consciousness, system of values, the way of thinking (a change from the state into private ownership which seeks to multiply profit) acting, organisational structure, directing processes, tourism product and innovation of all segments along with enterprise affirmation, innovation and intellectual capital

It is necessary to set up new teams (how to utilize employee potential in the best possible way) (Cascio, 2008, 368) and plan organisation as opposed to the traditional, vertical organisation loaded with various management levels which make the process of decision making long and difficult. The key lies in creating a new management that will stir qualitative trends of improving offers and develop a unique product, as well as gaining the support of all employees in initiating and carrying out changes. Education, motivation (self-assertion), evaluation and the empowerment of employees should be introduced. This will lead to participation of employees from lower hierarchical structures in the decision making process with the aim of satisfying tourist needs completely. All employees should be willing to accept new knowledge and acquire new skills, as well as to change old habits. A new business culture of learning, knowledge and innovation management should be established, a knowledge which conditions competitiveness and a better quality of service.

In order to be able to respond to the challenges of a more competitive market, LRH d.d. has introduced two developmental changes. The first stage of changes includes middle management for customer relationship management (CRM), and the second stage refers to the development of business intelligence. The key of CRM is to define the target segment and tastes of existing and potential tourists and to adapt all activities to their needs. Being an intelligent company is the more frequent assumption not only for success, but also for participation in market competition (Liautaud & Hammond, 2006). Despite the risk in times of recession, the company must be fundamentally changed based on knowledge and research. None of the developmental stages is definite nor the best, but represents necessary constant innovation and change. Prompt action motivates an internal resolution to act and succeed right now (Kotter, 2009).

5 Conclusion

Tourism changes at a tremendously fast rate. Thus it is difficult to anticipate the pace, dynamics and direction of future development. Innovative companies in tourism that are already investing into intellectual capital and information as motivators, and the creation of new offers and qualitative transformation can be successful in the dynamic globalised tourism market.

Recent research and analyses show that Croatian tourism companies are having difficulties adapting to the new system of values (as well as the tourism in general in challenges of change) and are not characterised by their uniqueness. The authors' research emphasises that companies should cease living in the past and stop accept changes only declaratively. Rather they have to face the future by being proactive (to use new ideas to create a more qualitative offer based on local autochtonous values) and by anticipating and establishing new trends in hotel management.

LRH d.d. Opatija can achieve competitive advantages in conditions of ownership change only by re-conceptualising the development (real transformation of the example of mass tourism into a carrier and stirrer of active vacations, events and experiences adapted to the more demanding market segment), by setting up new strategic guidelines and acquiring business culture. The competitive advantages should be based on speed (innovation) in profiling excellence and returning the "First lady of tourism" – Opatija, to her former glory.

Obvladovanje sprememb s ciljem izboljšanja upravljanja v hotelskih podjetjih na Hrvaškem

Povzetek

Kadar govorimo o prenovi delovanja sodobnih hrvaških hotelskih upravljavskih podjetij, se moramo zavedati, da bi morala nova poslovna kultura temeljiti na dinamičnih silah, spremembah, transformacijah, izboljšavah in kvalitativnih inovacijah. Najprej je treba povečati zavest o pomenu sprememb, vzpodbujati njihovo uvajanje, dejavno stopati v prihodnost in domiselno prestopati meje. Spremembe se dogajajo že v tem trenutku in se bodo dogajale tudi v prihodnje. Pomembna orodja za doseganje konkurenčnosti so inovacije, ki temeljijo na intelektualnem kapitalu. Konkurenčna so lahko le podjetja, ki razumejo svoje stranke in znajo predvideti njihove želje in potrebe (če želimo biti pred drugimi, zgolj prilagajanje sodobnim okusom ni dovolj, marveč je treba uvesti novo ponudbo in izvajati proaktivno trženje). V članku so opredeljeni trendi v turizmu v 21. stoletju in ocenjena konkurenčnost hrvaškega turizma. Raziskave so v tem primeru povezane z inovacijo ponudbe hrvaških hotelskih in turističnih upravljalskih podjetij, kar je kvalitativni odziv na globalizirano ponudbo uveljavljenih tujih hotelskih verig.

Ključne besede: spremembe, inovacije, intelektualni kapital, hrvaška hotelska upravljavska podjetja, prenova delovanja

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Brand management in the practice of cross-border tourist destinations

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Abstract

A common brand management of cross-border tourist destination provides the ability to efficiently consolidate competitive advantages to multiple destinations. A brand management for such areas is in the function of unifying the overall tourism through a recognizable tourist brand. The creation of a joint tourist brand of border areas helps to create competitiveness and a higher differentiation of the comprehensive tourist product in the global tourist market. The vision, based on the long-term aims of managing a recognizable tourist brand, helps the overall economic development of the area. To jointly manage the brand cross-border tourist destinations effectively it is necessary to achieve a synergy of tourism destinations. One possible approach is to design a specific model which brings together all the available resources of the area. This introduces a cluster concept which is a useful platform in creating an efficient marketing strategy. Such an approach encourages faster and more efficient social-economic integration. The presented research is based on the author's model developed for an efficient evaluation of tourist resources on the Croatian-Slovenian border. Research was done through the future perspective of the development of the border area of the Karlovac County (CRO) and Southeast Slovenia (SLO) with the aim of creating a recognizable cross-border tourist product. Economic contribution is efficient tourism branding of different cultural border areas. The aim of the paper is to point out the possibility of brand management for cross-border tourist destinations on the basis of common and partial elements of recognition of the area.

Key words: management, branding, cross-border, tourism, development

1 Introduction

The brand of a destination is a product considered in relation to its name, identity and reputation. It could be defined as a name that makes it unique among similar destinations. "Brands have become the main communicators in the global market." (Kuhn & Alpert, 2009) A strong brand destination simplifies a tourist's behaviour and decision-making. It even reduces the risk of making an incoherent choice. It establishes quality and creates high expectations on the part of tourists. "Strong tourist brands create strong thoughts and emotions in the tourist's awareness." (Morgan & Pritchard, 2001, 117) "The main premise of the brand management is creating added value for the tourist." (Kuhn & Alpert, 2009, 58) The identity of a destination brand is the main concept of a valorisation. Tourists evaluate destinations, choose them, like or dislike them based on stereotypes. The efficient brand management of a destination is primarily influenced by the perception of the destination. Perception depends on the variety of tourist attraction of destinations. In the case of cross-border destinations, the particular values are the cultural, historical, as well has having other differences that from the tourism aspect strengthen the attractiveness of the area. "Valorisation of tourist resources in the border area through a model of cross-border cooperation contributes to the competitiveness and recognition of the brand of the tourist area." (Butler, 2002) Cross-border cooperation can be used as a platform for brand management. This paper presents opportunities for possible cross-border cooperation between the Karlovac County (CRO) and Southeast Slovenia (SLO) through brand management. The aim is to point out the possibility of brand management in the border areas through cross-border cooperation. It is the way toward the creation of an umbrella brand of the tourist region. In this study the following hypotheses are tested:

- H1 – border areas have different relevant resources for forming recognizable brands of partial tourist products,
- H2 – border areas have sufficient resources to create a recognizable umbrella brand of the wider region.

The practical contribution is reflected in the evaluation of resources for potential branding in the border area. Scientific contribution is reflected in the creation of a methodological approach of the evaluation of the exact model for brand management. There is exploratory research, benchmark analysis, primary research, and a comparative method of data analysis. The destination brand is created as a consequence of growing competitiveness and globalisation. "Marketing strategy in brand management represents and comprises all brand assets." (Doyle, 2002, 167) Brand management has become the principal and the most important distinguishing feature of a particular destination nowadays. The reality is fast marketing and a deluge of information. "Compared to classical brand management, brand management for the tourist destination is a process where the brand actively creates its identity with the objective of as quality as possible positioning in the global tourist market as a desirable item for tourists." (Aaker, 1991, 46) A modern tourist chooses with emotions and the mind. "It indicates a direct connection of particular parts (brand mix of the destination) and their possible influence in the future period either as fall or increase depending on the success of the branding process." (Aaker, 2001, 95) From one aspect in destination brand management, communication is used especially to create a differentiation. Competitiveness of the destination's brand depends on a variety of components. The component of diversity determines available resources. Resources depend on the diversity of historical heritage and other characteristics of the cross-border areas. Effective brand management is based on the determination of available resources. The destination brand actually affects the tourist's feelings, their emotions and requests. The image of a destination is defined as a perception, notions or a tourist's feelings about a place. The brand is, among other things, subordinated to the destination itself. The application of the brand management for the exact destination is a complex task. It is useful to apply a custom economic model that will ultimately secure the loyalty of tourists, and recognition of the destination through the coming decades. The basic functions of the destination's brand management are communicating, creating perception, strong relations, and a higher destination value. Tourist destinations attempt to construct character and uniqueness. In such a way, they create and enter into a mutual relationship. That relationship is particularly related to the tourist's attempts to construct their own image through a particular image. Tourists and the destination brand realize a certain interdependent relationship. Effective model for the brand management in tourism requires interaction with the elements of the brand's mix, along with the interaction and the creation of relations with tourists. The exact model for brand management needs to evaluate all differentiations of the destination's resources. Such a model places the brand management *inside* the destination. "It is a crucial link that connects the destination and a guest through added value." (Hankison, 2004, 116) In the case of cross-border areas the interaction and cooperation in the brand management is an absolute prerequisite for the development of future tourism. Regardless of the expected quality of the cross-border area, each destination has to get the same tourist standard. Because of these reasons it is an absolute necessity to use a certain model for brand management. The model is essentially the platform that directly transfers exact information concerning the tourist demand to the branded cross-border area. Summing up the activities for the development of the brand management model, it is important to collect and analyse tourist perception. It is important to develop tactics in congruence with the tourist demand. Brand management represents a supporting platform and a starting point for the adequate positioning of the cross-border tourist area on the global tourist market. "The effectiveness of brand management suggests the use of a project method in order to upgrade brand communication." (Hankison, 2004, 112) In the case of cross-border area, a project method could be the programme of the reorganization of the tactics of brand management. Important changes should be based on the destination's tourist market profitability analysis. The final modification is the actual concrete re-branding of guest perception. Brand management encompasses different activities that lead to the revival of the branded destination:

- Formation of the new marketing structure of the destination;
- Identification of strategic brand activities of the destination;
- Formulation of a new image of the destination;
- Assurance of resources and conditions to implement the new promotional mix.

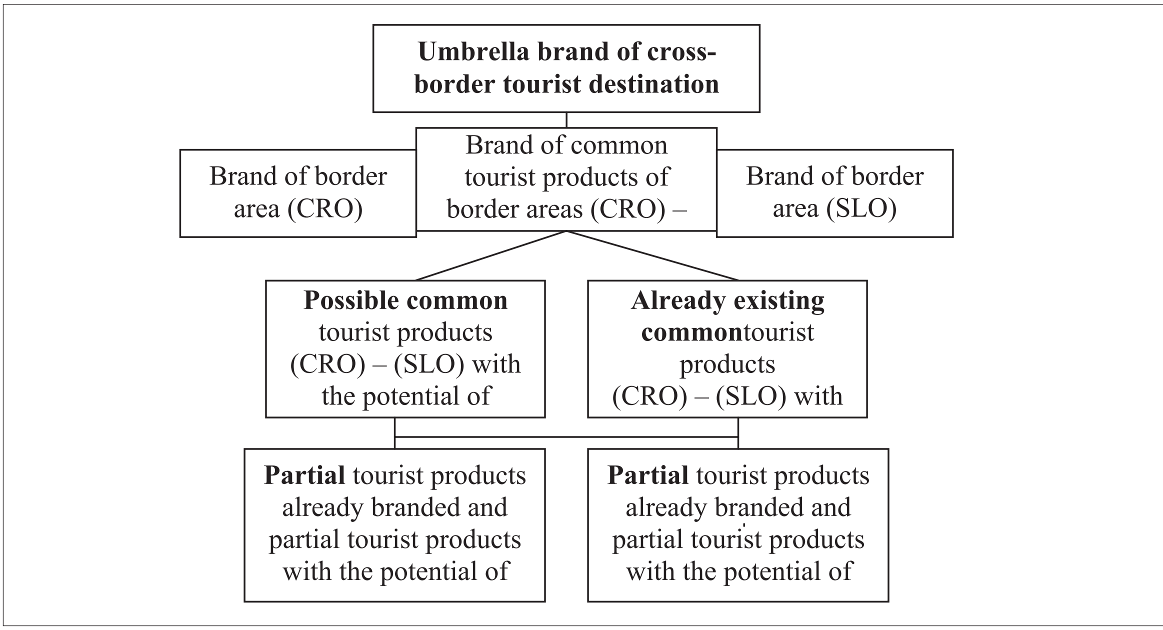
2 Methods and access

Defining the starting point of the creating process for the destination brand management includes the determination of the appropriate model. Specifics of the border areas of two or more neighbouring countries determine the terms of the model. Depending on a particular case it is appropriate to define an exact strategy for the brand management of border areas, despite the unbalanced level of tourism development. An unbalanced level of the achieved tourism development of border areas determines the characteristics of the selected model. "Frontier regions are often blessed with few natural resources and may suffer the problems of relative or absolute inaccessibility, a small or even nomadic population. Many frontier regions are characterized by limited infrastructure such as transportation, accommodation and other services." (Butler, 2002, 4, 15) These areas often offer a rich cultural and historical heritage and preserved landscape. It is the base for the development of specialized tourist products. Border areas are special because of their natural-geographic features, historical-administrative-political characteristics, demographic structure, economy orientation and level of economic development, land-property relations, cross-border employment, and cross-border traffic. All of these specifics are recommended to include in a custom model brand. Tourism in these areas is often developed with different intensity in different strategic context. "The myth of the frontier has been a powerful one, and is still to be seen clearly today in advertisements relating to specific forms of tourism such as ecotourism and adventure travel." (Butler, 2002, 6) Brand management has to be compatible with the environment, resources, and the population and used for long term success. "It is of equal importance to maintain attributes of a region that make it different from other tourist regions in order to maintain its competitiveness and appeal." (Butler, 2002, 5) That is why it should simultaneously evaluate all tourist resources, coordinate and program the tourist infrastructure, coordinate the policy of free time, and form a common model for brand management of the cross-border area. The recognition of tourist's offer of border areas can be improved by partial components of recognition and specificity. Cross-border cooperation in border areas enables a higher tourist and economic competitiveness of all entities that act in border areas, taking into account the development opportunities arising from the joint cross-border action. Opportunities are recognized in the development of tourism in border areas, among other things. The cross-border cooperation of neighboring countries encourages the development of tourism of the whole region through various national and international projects. Cross-border tourism cooperation between neighboring countries is recognized in a common evaluation of attractions and harmonization of the infrastructure. Valuation of tourism opportunities can be achieved by the formation of common tourist products and common promotion. There are three main phases of the development of the cross-border cooperation in practice toward author experience. The first stage includes preliminary activities to create a framework and conditions for effective participation. The second stage represents the transition toward development-oriented marketing (strategic) goals. The third stage leads to the formation of the common structures of cross-border cooperation by linking the existing stake holders at the regional level into the local level working groups and councils. In practice there are two basic forms of cooperation:

1. Coordinated benchmarking;
2. Making special agreements.

The European Union has developed two institutional frameworks of cross-border cooperation in tourism – *Interreg* and the concept of the Euro region. European Union programs in tourism, in the context of cross-border cooperation of Croatia and Slovenia, are within the PHARE CBC instrument for EU financial assistance. Different forms of horizontal, vertical and diagonal business integrations are emphasized in the context of cooperation between business entities in the tourism industry. Various business integrations allow businesses within the tourism industry to cross borders and expand their tourist markets. Partners in tourism from different countries empower their competitive advantage in the international tourist market through business integrations. Various business integrations in tourism could be the potential development approach between the Republics of Croatia and Slovenia through cross-border cooperation. Sub regions can be set and a series of networks and contacts between the settlements along the border on both sides can be established. Partnership between the governing bodies of the same level is useful in the effective management of tourism resources in border areas. These partnerships contribute to sustainable evaluation and harmonization of the economic, social and environmental standards. State borders affect tourism in many ways, primarily in terms of throughput. The conditions that determine the state borders throughput depend on the relationships between the countries. If there is a tourist zone that exists adjacent to the boundary on only one side, some people will be attracted to visit the other side as well. That presents opportunities for tourism development to spill over onto the non-tourist side of the border. If there is a tourist zone that extends across or meets at the borders, there may be communication and cooperation between the two sides so that the entire natural or cultural attraction system operates as one entity. In the European Union there is an obvious effort to encourage the merging of smaller tourist destinations that are adjacent to larger destinations, to create new tourism products. Such projects are interesting for investors and they contribute to the economic development and population of those areas. The reality of border areas is an unbalanced economic development and an uneven population. The integration of tourism activities encourages the approval of funding common projects. Figure 1 shows the author's working model suitable for branding cross-border tourist destinations. For higher differentiation and recognition of the tourist destination, the model contains acronyms of countries whose border areas have been the subjects of this research.

Fig. 1: *Working model of branding cross-border tourist destination.*



Source: authors' research 2010/2011.

The model is based on three platforms:

- Brand management of the border area for each country;
- Brand management of common tourist products for border areas;
- Brand management of partial tourist products for each border area separately.

In addition to the existing, and already positioned partial tourist products of the border areas of each country, the model assumes the implementation of new common tourist products of border areas. These partial tourist products contribute to the tourist image of border area.

3 Research: cross-border tourism cooperation Karlovac county (CRO) and Southeast Slovenia (SLO)

Research was done for the border area of the Karlovac County and Southeast Slovenia. The research includes:

- Analysis of tourist potentials and the achieved level of tourist development in border areas on both sides of the national borders;
- Partial tourist products for each border area separately;
- Proposals for common tourist products as well as determining the image of the tourist product of the observed cross-border areas (which is the foundation of creating the competitive brand).

Partial tourist products are analyzed in order to define the basic elements for forming possible common products of border areas. Common tourist products, among others, are the basic elements for creating the competitive umbrella brand of a cross-border tourist destination. An analysis of tourist resources has been carried out for research purposes, and an evaluation of the tourism development level has been made for both border areas. Below are the results of the analysis. The tourist traffic of Karlovac County is studied through actual tourist arrivals and overnight stays of foreign and domestic tourists, the structure of tourist traffic according to the countries of origin and the average length of stay. The border area of Karlovac County, studied in this research, includes the municipality of Kamanje, the municipality of Žakanje, the town of Ozalj and the municipalities of Ribnik, Netretić and Bosiljevo. In Karlovac County the hydrographic network presents a special tourism resource. A network of rivers, rivulets and streams has created attractive, unique scenery. The Kupa/Kolpa River is the longest, its flow running entirely through the territory of Croatia, but a significant part of it forms the natural border with the neighboring country of Slovenia, which forms a platform for the development of common specialized tourist products (kayak tours, rafting, etc.). A section of the Kupa/Kolpa, downstream from Kamanje towards Ozalj, is suitable for rafting at a length of approximately 10 km. On this route there are several unique travertine barriers and a number of rapids. After the first few kilometers the route leads to the Vrlovka cave, often a transit destination for holiday-makers. The diversity of the scenery is also usable for tourist development as one of the special features of the country. Many kinds of scenery typical of continental Croatia are represented in a relatively small area. The hills around the town of Ozalj are rich in the idyllic scenery of the Kupa/Kolpa canyon. The area just off the banks of the Kupa/Kolpa, attractive and used for wine growing at the far north of the county, is the area of Vivodina. It is attractive for tourism because of the wine road of Vivodina. In the border area of the county there are currently small areas along the Kupa/Kolpa which are under environmental protection. The prominent scenery of Ozalj – the area around the town, is partly protected by the canyon of the Kupa/Kolpa near the old castle of Ozalj. It is a protected landscape, an area of natural and cultural values with great landscape value, biodiversity and cultural and historical values. Among other environmentally protected areas in the border area of the Karlovac County, the Vrlovka cave near the town of Ozalj is prominent as a geomorphologic natural monument. Natural and anthropogenesis tourist resources operating together can additionally enrich the tourist offer of the border area of the Karlovac County. Old medieval castles situated in the municipalities and the towns of the border area of the Karlovac County include Ozalj, Ribnik, Bosiljevo and Novigrad on Dobra. In the process of evaluating old castles, their general condition presents the greatest of problems. They are neglected, dilapidated and plain looking. Furthermore, the promotion of old castles is not enough so they remain completely unknown to tourists. Most roads near the old castles don't have road signs and therefore don't mark the way to them. At the same time there is no clear and specifically designed tourist offer relating exclusively to the old towns of the Karlovac County. Their importance for tourism is currently insignificant. A small folklore village by the name of Trg, near Ozalj, represents one of the most important sources for studying material and immaterial culture of the Pokupje area. In the past it served as the outskirts of the fortified town of Ozalj. The centre of the village has been preserved. They keep the customs and culture of the people of Ozalj inside their walls. Items of clothing, footwear, dishes, furniture, handicraft, utensils, tools, carts and carriages have been preserved. Nowadays the folklore village is an excursion site visited by a small number of visitors. Another motif to choose a tourist destination could also be local gastronomy. Habits and customs of the inhabitants of a certain region related to food mostly depend on the abundance of plant and animal species. The culinary culture of the Karlovac County in general, as well as the border area itself, is rich in the basic features of various culinary zones with the

Table 1: *Tourist traffic in Karlovac County in the years 2008 and 2009.*

Year	Tourist arrivals			Tourist overnight stays			Average number of overnight stays
	Total	Domestic	Foreign	Total	Domestic	Foreign	
2008	164 883	31 520	133 363	278 808	78 673	200 135	1,7
2009	161 277	25 336	135 941	269 419	61 381	208 038	1,7

Source: author's research, according to the data from the Croatian Bureau of Statistics, 2009 and 2010 yearbooks (Croatian Bureau of Statistic, 2009, 2010).

Table 2: *Tourist traffic in the border areas of Karlovac County in the year 2009.*

Municipality	Tourist arrivals			Tourist overnight stays			Average number of overnight stays
	Total	Domestic	Foreign	Total	Domestic	Foreign	
Ozalj	468	305	163	1169	865	304	2,5
Bosiljevo	256	59	197	291	61	230	1,1
Kamanje	-*	-	-	-	-	-	-
Netretić	-*	-	-	-	-	-	-
Žakanje	71	2	69	156	6	150	2,2
Ribnik	134	17	117	184	19	165	1,4
Total	929	383	546	1800	951	849	1,9

** no data*

Source: authors' research, according to the data from the Croatian Bureau of Statistics, 2009 and 2010 reports (Croatian Bureau of Statistic, 2009, 2010).

dominance of the culinary zone of Gorski Kotar and Lika. Caterers have also included assorted specialties of the international cuisine into their offer. Wines from autochthonous varieties of grapes typical of this climate are served.

According to data, tourists stay for a relatively short period of time in Karlovac County. In the total achieved tourist traffic there is a dominant share of foreign tourists. In the year 2008 and 2009, Karlovac County was mostly visited by tourists from Germany, Italy, France, the Netherlands, and Poland. In the year 2009, Karlovac County disposed of 424 beds in hotel accommodation, 384 beds in tourist resorts and 294 beds in camps. (Ministry of Tourism of the Republic of Croatia, 2009 categorization) Hotel accommodation is represented mostly in cities, namely Karlovac and Ogulin. Camps are located along the rivers of Mrežnica and Korana.

Tourist traffic achieved in the borderline municipalities and towns by comparison with the overall achieved tourist traffic of the county in the year 2009 is less than 1%. The greatest tourist traffic was recorded in the town of Ozalj. One motel can be found close to the town of Ozalj. Other accommodation facilities of the studied border area consist mostly of private accommodation. The tourist offer of the border area of Karlovac County is currently underdeveloped, without a strategic framework and without a vision for future tourism development. The city government of Karlovac is preparing a Tourism Development Strategy 2011 - 2020. This strategic document for tourism development of the town of Karlovac and surroundings during the period of 2011 – 2020 should make the difference and initiate the development of tourism. Planning will be done by the beginning of 2012. The city government of Ozalj should do the same. Southeastern Slovenia borders with the Republic of Croatia (Karlovac County) on the river Kupa/Kolpa. Southeastern Slovenia consists of 20 municipalities. The studied border area of Southeastern Slovenia and Karlovac County is the area of Bela Krajina which consists of the municipalities of Črnomelj, Metlika and Semič. The Park Krajina called Kolpa is a protected area of the Kupa/Kolpa River in the territory of Southeastern Slovenia. There are 16 natural monuments and 41 cultural monuments under protection along the river itself and in its immediate vicinity. The Kupa/Kolpa has 39 autochthonous fish species. The border flow of the Kupa/Kolpa is suitable for sports and recreational water activities. Among natural heritage sites are some interesting karsts caves such as Malikovec, Lebica, Bečka, Vidovec, and Zdenc. In the border area there is the Bela Krajina wine road which includes the vineyards of all three borderline municipalities. Along with the wine tasting of the assorted varieties of grapes from Bela Krajina, the Slovenes also offer holiday-makers the original sweet bread of Bela Krajina. There are some cultural institutions in Metlika, Črnomelj and Semič such as the Museum of Bela Krajina in Metlika, the Museum collection of Semič, the Museum collection of Črnomelj, the Kambič gallery, and numerous sacral buildings.

Table 3: *Tourist traffic in Southeastern Slovenia (Bela Krajina) in the years 2008 and 2009.*

Year	Tourist arrivals			Tourist overnight stays			Average number of overnight stays
	Total	Domestic	Foreign	Total	Domestic	Foreign	
2008	98 621	45 289	53 332	365 396	214 093	151 303	3,7
2009	104 303	54 278	50 025	381 427	233 990	147 437	3,7

Source: Bureau of Statistics of the Republic of Slovenia, 2009, 2010.

Cultural events fostering the cultural and historical heritage of the local people are also held. Visitors have found interest in folk heritage and events such as "The oldest folklore festival in Slovenia", "Semiška Wedding", "The Spring Vine Event".

Tourists stay longer in Southeastern Slovenia than in Karlovac County. In Karlovac County tourists are, in most cases, in transit and there is a lack of appropriate tourist facilities. In the total achieved tourist traffic of Southeastern Slovenia there was an equal share of domestic and foreign tourists in the years 2008 and 2009. Among foreign tourists, Southeastern Slovenia was mostly visited by Italians, Germans, Austrians, Croats and the French. In the year 2009 Southeastern Slovenia disposed of 2,254 beds in hotel accommodation and 1,252 beds in camps. (Bureau of Statistics of the Republic of Slovenia) The camps are located along the Kupa/Kolpa River. In the border area of Southeastern Slovenia and Karlovac County there are 8 campgrounds. In the borderline municipalities of Metlika, Črnomelj and Semič the largest number of beds is in camps. In all three studied borderline municipalities there are a total of 890 beds, of which 530 beds and 60% are in camps.

The tourist traffic achieved in border areas seen in comparison with the overall tourist traffic of Southeastern Slovenia in the year 2009 makes out a share of approximately 9% of tourist arrivals and 6% of tourist overnight stays. In the overall achieved tourist traffic of border areas there is a predominant share of domestic tourists. The greatest tourist traffic is recorded in the municipality of Metlika. Metlika is also important because of intensive cross-border co-operation with the Republic of Croatia because of daily migrations and contact among the inhabitants of the border areas. As part of the EDEN project (European Destinations of Excellence) the Kupa/Kolpa River has been chosen by the European Commission, in accordance with the guidelines of European tourism policy, as the 2010 destination of excellence. Rural tourism, tourism with the theme of gastronomy and wine roads, sports and recreational tourism on the Kupa/Kolpa, camping tourism and sightseeing tourism are all developed in that area.

Table 4: *Tourist traffic in borderline municipalities of Southeastern Slovenia (Bela Krajina) in the year 2009.*

Municipality	Tourist arrivals			Tourist overnight stays			Average number of overnight stays
	Total	Domestic	Foreign	Total	Domestic	Foreign	
Črnomelj	3527	2896	631	9064	7710	1354	2,6
Metlika	4872	3981	891	11 663	9991	1672	2,4
Semič	1146	1119	27	3102	3001	101	2,7
Total	9545	7996	1549	23 829	20 702	3127	2,5

Source: Bureau of Statistics of the Republic of Slovenia, 2009, 2010.

4 Discussion: potential tourist brands of the cross - border area of Karlovac country and Southeastern Slovenia

The border areas of Karlovac County and Southeastern Slovenia is rich in landscape, historical, cultural and traditional resources which can be used for designing an attractive and diverse range of specialized tourist offerings. Benchmarking is possible way to improve partial experience of the Slovenian side into a new qualitative level in the cross-border territory of the Republic of Croatia. In addition, in potential new tourist projects in the territory of the Republic of Croatia it is possible to offer participation to Slovene partners as well, especial in a segment which assumes a more complex tourist infrastructure. Each region has prerequisites for the development of its own original tourist product. In a synergetic global promotion an additional tourist value is provided for the whole area and the cost of marketing management of partial projects is reduced by common market performance. Traditional cultural heritage (customs, folk costumes, folk dances, folk songs, old farmhouses, traditional crafts, etc.) forms an especially attractive base for the development of original tourist products of the border areas. The border area of Southeastern Slovenia puts forward several distinctive original products such as the Bela Krajina Easter egg, the Bela Krajina sweet bread, the Bela Krajina folk costumes, and the Bela Krajina folklore as well as some protected wines of Bela Krajina such as Metliška Črnina and Belokranjec. The trademark of the border area of Bela Krajina has been taken from the traditional embroidery of Bela Krajina. Products from wine, honey, cheese, bread and various souvenirs forming an integral part of the tourist offer of the studied area are represented in the border area of Southeastern Slovenia (Bela Krajina). The border area of Southeastern Slovenia is positioned in the tourist market as a distinctive, environmentally preserved and attractive rural area rich in original natural, and cultural and historic heritage. In the border area of Karlovac County natural as well as cultural and historic heritage is currently insufficiently or not at all touristically valorized. The analyzed area currently has in its tourist offer local wines along the Vivodina wine road which can be potential tourist brands of the border area and the entire area of Karlovac County as well. There is also the small folklore village by the name of Trg near Ozalj which represents one of the most important sources for the study of material and immaterial culture of Pokupje, and can form a quality base in creating souvenirs as well as in creating an identity of rural areas of the bordering region in the tourism market. Old castles in the border area such as Ribnik, Ozalj, Bosiljevo and Novigrad on Dobra should become part of unique tourist facilities of this part of Karlovac County. Old castles could be integrated into tourism offerings by forming a historic theme route which will present the old castles to visitors through common historical moments.

An inventory of the resource base of the studied border areas reveals a possibility of combining a part or the entire heritage element into a common, integral, tourist product. A prerequisite to an efficient commercialization of such a product is the thematic development of a range of partial, specialized products which should be sensibly coordinated into the ITP of the destination. It is appropriate to base the creation of such products on the resource features of the area (the Kupa/Kolpa River, caves, natural architecture, etc.), historical and cultural heritage (castles, forts, old towns), as well as traditional heritage (original architecture of settlements, gourmet products). The Kupa/Kolpa River, wine growing, and the production, and distribution of honey make key points for forming distinctive products of both regions. The Kupa/Kolpa can be appropriately evaluated through the prism of a unique landscape resource along which and on which it will be possible to develop different sports and recreational facilities for day trips, as well as residential packages for camping tourism during summer season for tourists coming to Southeastern Slovenia and Karlovac County. The ecologically preserved environment of the Kupa/Kolpa is an ideal area to design specific catering offer based on the offer of eco-camps as accommodation facilities. The caves of Vrlovka, Vidovec, Zdenc and Bečka can be managed as theme tourist products of the border areas. Furthermore, other valuable tourist resources are the old towns, castles and forts which can also form a theme route connecting Slovenia and Croatia. Rural households in this area are involved in the production and distribution of honey and wine growing. Wine and honey products are made exclusively by organic production and make interesting eco-products typical of the studied area. The management of cross-border tourist brands assumes an image created on basic tourist resources. Relevant information about the area is a prerequisite for the creation of a competitive image. Image is also a reflection of the character of an area, namely its identity, at different levels of public view. Since image is formed on the basis of distinctive identity and the way it communicates to all levels of the public, for an efficient image management it is important to understand the notion of the identity of a tourist destination, as well as its origins. Image is an expression of other people's view of a destination, whereas identity offers an explanation of how the local people perceive a destination.

5 Conclusion

Effective brand management is the assumption of long-term competitive positioning of the destination in an increasingly demanding global tourism market. Joint branding multiple destinations on cross - border areas is a complex task. Often the standards in the context of tourism development are not identical. On the other hand, differences in terms of cultural and historical development of these areas are the prerequisites to create a competitive brand. Brand management for border areas is a complex and creative process of the research and evaluation of the existing destination image and segmentation of the target emissive tourist markets. The activities undertaken in this context are the target action through communication with the chosen market segments. The activities of the brand management of the border areas, which are aimed at positioning the relevant competitive advantages, may be in order to support an existing image (if the relevant tourism demand is determined), or to create a new image (or enhanced image), and adjust marketing communications to other competitive advantages of the destination. From this conducted research it can be concluded that is always necessary to create a new tourist image of a cross-border area through the activities of brand management. This marketing approach of creating a new tourist image and the brand managing of border areas sets the criteria for sustainable tourism development based on the premise of the competitiveness and diversity range of specialized tourist products in the border areas. In this way, the observed image of the destination is a consequence, and the identity is evaluated based on the all different resources and values of the cross-border area.

Menedžment trženjske znamke čezmejnih turističnih destinacij

Povzetek

Skupno upravljanje prepoznavnih obmejnih turističnih destinacij nam omogoča, da se uveljavi konkurenčno prednost ponudbe, ki vključuje več destinacij. Namen skupnega upravljanja takšnih območij je, da se poveže celotno turistično ponudbo in jo oblikuje v prepoznavno turistično blagovno znamko. Z zasnovo skupne obmejne turistične blagovne znamke povečamo konkurenčnost in prepoznavnost zaokroženega turističnega produkta na svetovnem turističnem trgu. Z vizijo, ki temelji na dolgoročnih ciljih upravljanja prepoznavne turistične blagovne znamke, prispevamo k splošnemu gospodarskemu razvoju območja. Da bi lahko učinkovito upravljali prepoznavne obmejne turistične destinacije, povezane v blagovno znamko, je treba doseči sinergijo vključenih turističnih destinacij. Eden od uporabnih pristopov zajema oblikovanje posebnega modela, v katerem se združi vse vire, ki so na razpolago v danem območju. S tem vpeljemo koncept grozda, na podlagi katerega zasnujemo učinkovito strategijo trženja. S takšnim pristopom prispevamo k hitrejši in učinkovitejši družbeno-gospodarski integraciji. Pričujoča raziskava se opira na avtorski model, ki je bil razvit z namenom, da se ustrezno oceni turistične vire ob hrvaško-slovenski meji. Raziskava je upoštevala možni razvoj obmejnega območja, ki obsega Karlovško županijo (CRO) na hrvaški in jugovzhodno Slovenijo (SLO). Njen namen je bil zasnovati prepoznavni obmejni turistični produkt. Njegov gospodarski prispevek je učinkovito uveljavljanje različnih obmejnih območij kulturnega stika kot turistične blagovne znamke. Namen članka je opozoriti na možnosti upravljanja obmejnih turističnih destinacij, povezanih v blagovno znamko, na podlagi skupnih in posamičnih elementov, ki prispevajo k prepoznavnosti območja.

Ključne besede: upravljanje, uveljavljanje blagovne znamke, obmejnost, turizem, razvoj

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An Exploratory Study Linking Turkish Regional Food with Cultural Destinations

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Abstract

Food and tourism may be considered as two interrelated elements that bring people and cultures together on many different occasions. Research indicates that food could be viewed as a peak touristic experience and a major tourist attraction. The main purpose of this paper is to identify and evaluate the significance of food tourism for Turkey and to create a number of innovative regional food related itineraries that would be replicable. Four main results emerged from the analysis of the interviews. The major recommendations from the study include developing an action list for the Turkish Ministry of Tourism, developing new food tourism itineraries and creating an official food guide. The findings of the study could be used as a base for further exploring the application of new technologies in food destination sectors.

Key words: Food tourism, Turkey, regional cuisines, innovation

Introduction

Food and tourism may be considered as two interrelated elements which bring people and cultures together in many different ways. Food as an important cultural category for many people, could also serve as a significant destination marketing tool in tourism. Within this frame, this type of tourism is commonly being referred to as Food Tourism, Culinary Tourism or Gastronomic Tourism in the related literature. In her study, Santich (2004) refers to these modes of tourism by mentioning travelers who are motivated to travel by an interest in eating and drinking and enriches her explanations by giving examples of Gastronomic Tourism from France, Canada, Australia and Italy.

Research also indicates that food could be seen as a peak touristic experience and the main tourist attraction (Quan & Wang, 2004). Plummer et al. (2005) mentioned that food and beverage tourism is now being considered as a vital part of the cultural tourism market. Cohen & Aviali (2004) also discussed this subject while considering the roles of food in tourism as both an attraction and an impediment. In relation to this, Henderson (2009) believes that the importance of the profound roles of food brings possible competitive advantages to a destination. These roles include being a kind of tourist attraction, playing a role in tourist decision making and satisfaction, being a destination development tool, and adding to the destination's image

Considering the relationship between food and tourism, Telfer and Hashimoto (2002) mentioned the importance of incorporating local food and beverages into the tourism product. Beer et al. (2002) also highlight the regional food cultures and gave examples of several regions in Britain and Portugal which contributed to the development of rural tourism. Some researchers believe that local cuisines are in direct relation with the destination's intangible heritage while agreeing food could also be used in attracting tourists to several destinations in supporting sustainable tourism development (Okumus et al., 2007). Tourism's multiplier effect is also significant for different nations and its positive contributions to other related industries in the economy at the local, regional, national and international levels.

Being seen as one of the most important "pull" factors in the literature, a destination's image is known to be essential in attracting tourists along with the individuals' motivation for travel (Fields, 2002). The role of "Food" in Destination Marketing has been discussed by multiple authors in the relevant literature (Okumus et al. 2007; Henderson, 2009). Fox (2007) mentioned the success of the tourist destinations and linked this with the gastronomic identity. Richards (2002) identifies gastronomy as a tourism marketing tool and gives examples from Portugal while linking this with the brand image. It is also believed that food tourism is vital in the branding of a country or a destination (Henderson, 2009). Okumus et al. (2007) highlight the destination marketing literature and assert that each destination should differentiate itself from other destinations through tangible and intangible distinctiveness.

2 Turkey as a Food Destination

Turkey occupies a unique location being at the crossroads of East, West and the Mediterranean and through the development of a rich and diverse gastronomic heritage developed over time, it may be regarded as a hub for culinary tourists.

Many researchers, food critics and culinary experts admire the rich selection of dishes expressed through unique regional cuisine specialties. In relation to this, numerous books have been written and well-respected gourmets have tasted Turkish foods not only in restaurants, but also in home-style food from street vendors. "Turkish Delight" and "Turkish Coffee" are also world renowned delicacies.

The variety and the scope of Turkish cuisine are commonly discussed in written and visual media. Many internet based resources mention the rich culinary culture in Turkey and give different examples from regional cuisines. However in a recent study, Okumus et al. (2007) addressed the fact that some countries do not utilize the potential opportunities food tourism provide. In a detailed content analysis it was found that diverse regional cuisines in Turkey were not mentioned in the official promotional materials for Turkey and, therefore, Turkey has not used food as a strong marker of cultural identity as compared, for example, to Hong Kong (Okumus et al., 2007)

Due to the fact that Turkey has a rich flora and fauna, four distinctive seasons, seven diverse geographical regions where countless ingredients are grown, food tourism should be used as an important tool in marketing Turkey as a premier tourism destination for those interested in food and culture.

3 Innovation in Marketing a Tourism Destination

Recently, the literature on tourism innovation identifies that product or service innovations could be considered influential factors in the purchase decisions of tourists Hjalager (2010). The same study also highlighted the importance of process innovations while identifying Information and Communication Technologies (ICT) as having the potential to give the greatest competitive advantage for the tourism industry (Zelenka 2009; Hjalager 2010).

Many researchers have also discussed the impacts of globalization, rapid developments in information technologies and the internet and the resultant effects on the tourism industries (Avramovic, 2010; Mack et al., 2008). Boyne & Hall (2004) discussed the role of the internet in promoting food tourism initiatives in rural areas. Machlouzarides (2010) illustrates the importance of electronic marketing in destination marketing and shows the effects of an integrated marketing model at the official level through a case study of Cyprus. The role of governments in tourism marketing is clearly critical, especially the role of information technology and tourism destination marketing. There has been a rapid rise in Destination Marketing Systems (DMS) often through the use of promoting publicity by internet use including personalized design of travel itineraries.

The main purpose of this paper is to identify and evaluate the significance of food tourism for Turkey while integrating the prominent regional cuisines into proposed travel itineraries as an innovative illustration of a cultural tourism product. The secondary purpose of this paper is to prepare a base for identifying the role of innovation in distributing tourism products. Following Hjalager's (2010) approach, itineraries created could also be regarded as product or service innovations. Value could be added through process innovations by integrating electronic marketing strategies and the use of social media which would then provide competitive advantages to the Turkish food tourism industry.

The extant literature suggests that there is a need for further research in this area which suggests that collaboration between industry and academia in creating a better understanding of the benefits of food tourism (Henderson, 2009). Hence this exploratory research paper was written by academicians and a professional from the tourism industry in proposing an innovative tourism product. As a partial result of this project, considering different interests of the tourists, two sample itineraries are proposed in this paper and several others could be developed by using similar methods and the quality of the tourism products could be improved and widened by considering the innovative scope for future studies.

4 Methodology

A qualitative research method was used for this study. Interviews were conducted with key decision makers and content experts from the culinary world both in Turkey and the US to enable an in-depth analysis of the topic. Possible interviewee names from the culinary world were identified by using professional and personal networks. Researchers carefully selected the interviewees considering their interest in and knowledge of Turkish cuisine, history and geography.

Three interview sessions were conducted with: (a) a famous food critic and restaurateur in San Francisco, USA, (b) a master chef and restaurateur in Istanbul, Turkey and (c) a renowned pastry chef in Cesme, Izmir, Turkey. Each interview session lasted around thirty minutes. One interview in the US was completed face-to-face; the other two were telephone interviews. The questions asked during the interviews were geared to scrutinize the importance of food tourism in Turkey including: (a) the geographic regions of Turkey which could be beneficial in utilizing food tourism, (b) the regional food and cultural specialties of Turkey, (c) food types to be used as a marketing tool, (d) potential issues and (e) recommendations to tour operators in developing a food tourism based itinerary in Turkey. Furthermore, spontaneous dialogues between the interviewers and interviewees took place regarding Turkish food which provided valuable information on newly generated ideas and individual expert opinions about the topic. Thus, all of these interpretations have been reflected while designing the different travel itineraries.

5 Data Analyses and Results

Detailed notes were taken during the interviews. The notes, conversations and recommendations made were studied in view of the corresponding literature, and analyzed by using individual interpretation. The researchers followed the common practice of reporting the findings of qualitative research in categories with common points addressed by the interviewees being identified and then divided into themes (Horsburgh, 2003). At the end of the process four categories emerged including: (a) regional cuisines and food cultures, (b) flavors based on the uniqueness of local ingredients, (c) food types and (d) demonstration of regional cuisines. Findings of all categories are listed below.

Regional Cuisines and Food Cultures

Regional cuisines and specific food cultures of various regions were discussed in all interviews. Two of the three interviewees mentioned the importance of Southeastern and Eastern Mediterranean cuisines over the historical timeline while mentioning unique ingredients such as "Dried Flaked Red Chili Pepper" from Urfa and the Maras region and the uses and preparation of "Pomegranate Molasses".

Flavors based on Uniqueness of Local Ingredients

Natural and fresh ingredients in the dishes especially in the rural settings were the main points in all interviews. Different cooking methods used by different regions were also discussed by all the interviewees along with the seasonality of the ingredients.

Food Types and Serving Styles

The importance of local market foods, unique deserts, "meze" style dishes, home-style cooking and street foods in Turkey were highlighted in all interviews.

Demonstration of Regional Cuisines

Two out of three of the interviewees emphasized the importance of "Hands on Experience" in regards to learning about regional cuisines. One interviewee pointed out the role of a reliable "Food Guide" as an important means of communication. One other interviewee stated the idea of forming an "Institute" of Regional Foods in Istanbul, Turkey which could serve to promote Turkish Cuisine.

6 Proposed Sample Itinerary Highlighting the Importance of Regional Food Cultures

The interviews conducted with the participants helped the researchers to understand the topic in detail. Based on the categories identified and in lieu of the recommendations made by the interviewees, considering the varying needs and budgets of tourists, two sample travel itineraries have been developed to promote destinations in Turkey which will emphasize regional cuisines and cultures. Those itineraries do not only reflect the input obtained from the interviews, but also combine the expertise and recommendations of a tour operator who also serves as one of the co-authors of this paper. The sample itineraries cover Turkey from the Northwest to Central Anatolia, Eastern Mediterranean to the Southeastern region. Considering the recommendations made, similar itineraries could be customized by covering different geographical regions and could be modified according to the individual needs. Both Table 1 and Table 2 show the sample itineraries in detail.

Table 1: *Sample Itinerary 1 (a condensed itinerary designed for wider set of tourists with a limited time and budget).*

7 Day Food and Culture Tour to Istanbul-Izmir-Ephesus-Alacati-Pamukkale

Day 1: Arrival in Istanbul
Morning arrival to Istanbul. Half day guided city tour in the afternoon. Welcome dinner at a "Meyhane" while sampling traditional appetizers and the drink "Raki".

Day 2: Topkapi Palace and Cooking Class (Optional)
Visit Topkapi Palace (residence of the Ottoman Sultans). Visit the palace kitchens as well as the "Harem" and the Treasury section as important cultural icons. Lunch will be at the restaurant at the palace and "Ottoman Cuisine" specialties will be sampled. Optional cooking class for those who are interested. Free time for "Independent Discovery" and experiencing the beauties of the Sultanahmet Area. Sunset Cruise on the "Bosphorus" followed by a local seafood dinner.

Day 3: Spice Market and Ciya
Visit the world famous "Spice Market." Then take the public ferry to "Kadikoy" where tourists explore the local market and lunch at "Ciya Sofrasi" Meet Chef Musa and optional cooking class in the afternoon.

Day 4: Hagia Sophia and Street Food
Visit "Blue Mosque" "Hagia Sophia" and rich street food delicacies of Istanbul including "Doner" Sandwich at Istiklal Street, fried mussels in "Beyoglu Cicek PasajI" "Gulluoglu Baklava" for different types of baklava.

Day 5 : Izmir – Ephesus -Alacati
Early morning flight to Izmir. Continue and visit "Ephesus" Lunch at famous "Yandim Cavus" "Cop Sis" kebap. Continue to Alacati for shopping and visit a local farmers market in the late afternoon. Check in at the "Imren Han" hotel and Meet Chef Kayhan for traditional desert specialties including "Sakizli Muhallebi" and many others. Dinner includes discovering local restaurants of Alacati.

Day 6 :Pamukkale
Early departure for "Pamukkale" visit the ruins of "Hierapolis". Lunch at a local restaurant with regional specialties. Optional time for the "Baths" and shopping in the afternoon.

Day 7: Fly from Denizli to Istanbul and home.

Table 2: *Sample Itinerary 2 (Extended Itinerary designed for gourmet tourists for a longer duration).*

15 Day Food and Culture Tour to Istanbul-Izmir-Pamukkale-Konya-Cappadocia-Adana-Antakya-Gaziantep

Day 1: Arrival in Istanbul
Welcome dinner at a "Meyhane" with sample traditional appetizers and the drink "Raki"

Day 2: Topkapi Palace and Cooking Class
Visit the Topkapi Palace (residence of Ottoman Sultans). Visit the Palace kitchens as well as the "Harem" and the "Treasury" section. Lunch will be at a restaurant at the Palace, specializing in Ottoman cuisine.
Afternoon, a half day cooking class learning to cook 3 dishes such as "Ispanakli Borek" (phyllo dough pastry with spinach and feta), "Hunkar Begendi" (roasted eggplant puree topped with chunks of lamb), "Irmik Helva" (semolina halva).
Sunset cruise on the Bosphorus, followed by local seafood dinner.

Day 3: Spice Market and Ciya
Visit the world famous "Spice Market". Then take the public ferry to Kadikoy where tourists will explore the local market there and have lunch at Ciya Sofrasi. Meet Chef Musa and cooking class in the afternoon

Day 4: Haghia Sophia and Street Food
Visit the Blue Mosque, Haghia Sophia and explore the street food of Istanbul. Visit Istiklal Street for a "Doner" sandwich, fried mussels in Beyoglu Cicek Pasaj, Gulluoglu Baklava for different types of baklava.

Day 5: Izmir- Ephesus - Kusadasi
Early morning flight to Izmir. Continue and visit "Ephesus" and the ruins. Lunch at famous "Yandim Cavus" "Cop Sis" kebap. Continue to "Kusadasi" for shopping and try local specialties for dinner escorted by a local guide.

Day 6: Pamukkale – Konya
Early bus departure for "Pamukkale" visit "Hierapolis". Lunch at a local restaurant with regional specialties. Spend some time in the town of Pamukkale and depart for Konya. Dinner at the hotel in Konya.

Day 7: Konya
Visit "Mevlana" Museum and "Mevlana Cultural Center" Famous Konya Tandir Kebap" for lunch. See examples from the famous "Seljuk" architecture in the afternoon. Dinner at a local restaurant.

Day 8: Cappadocia
Early departure by bus. Lunch at an old Greek house where local women will prepare borek, meatballs, rice and baklava.
In the afternoon, visit Goreme Open Air museum and explore the Early Christian churches carved into the rocks.
Stay at a boutique hotel carved into the rocks.
Dinner will be in Urgup where the local "Testi Kebab" (kebab cooked in amphora shaped claypot) will be tasted.

Day 9: Cooking Class and Wine tasting
Early morning hot air ballooning followed by brunch consisting of home made bread, local cheese and jams.
Hike through Zelve Valley. Then pottery atelier where locals have been making pottery since the Neolithic times.
Lunch will be at a small village restaurant where all the dishes are cooked in claypot in a "tandoori" style oven.
Cooking class will be in "Uchisar" making different specialties including Bulgur soup with tomato broth and "Manti" (Turkish style ravioli filled with ground meat, served with garlic yogurt on top)
Before dinner, a Cappadocian wine tasting.

Day 10: Adana
Continue to Adana in a chartered bus. Adana is especially famous for its kebab. Visit a farmers market, "Salgam" (turnip juice) and "pickle" shops. You will taste local deserts such as "Halka Tatli" and "Karakus". Dinner will be at a traditional Kebab restaurant where you will enjoy "Adana Kebab" and local appetizers.

Day 11: Antakya (Antioch)
Continue to Antakya by chartered bus. Lunch at a restaurant in "Harbiye" specializing in local cuisine. Antakya cuisine is influenced also by Syrian and Lebanese cultures. See that "pomegranate molasses" is widely used as well as all kinds of bulgur. Tour of in Harbiye to see the local silk producers and olive oil soap stores. Visit the Senkoy village and have tea with locals and learn how to make zaa'tar spice mixture.

Day 12: Antakya
Visit Antioch Mosaic Museum to see the 2nd century old mosaics. Walk in the market area to see the local produce as well as the spice special to Antakya. Try the famous "Kunefe" desert and hummus and za'atar bread.

Day 13: Gaziantep:
Continue to Gaziantep in a chartered bus. Lunch at a local home and meet the talented home chefs. Late afternoon walk in the marketplace to see the coppersmith masters. Visit the famous "Baklava" stores. Dinner will be at the "Imam Cagdas" restaurant with local delicacies.

Day 14: Gaziantep:
Continue to explore the culinary treasures of Gaziantep. Try "Nohut Durum" (chickpea wrapped in a local lavash with sumac), "Liver Kebab" and "Katmer" (desert). Visit a store specializing in chili peppers and learn about the differences in "Urfa" pepper and "Maras" pepper. Dinner will be at a restaurant serving traditional Gaziantep cuisine.

Day 15: Fly from Gaziantep to Istanbul and home

7 Recommendations and Potential Implications

The interview sessions provided in-depth information in relation with the topic and were very helpful in putting an innovative tourism product together. Based on the recommendations made by the interviewees and after studying the related literature, an action list could be prepared including: (a) making a recommendation to the Ministry of Tourism in Turkey to increase the content of Food Tourism related materials, (b) developing new "Food Tourism Guide" including itineraries under the guidance of Ministry of Tourism while covering seven geographic regions of Turkey, (c) promoting the official "Food Guide" which covers the regional cuisines of Turkey in detail while illustrating the specialties in detail. (d) increasing the number of educational resources in relation with "Food Tourism." (e) exploring the role of innovation in marketing a tourism destination (f) potential incorporation of the use of social media in promoting Turkish cuisine and culture.

As mentioned earlier, the study was designed to bring academicians and practitioners together. This is a preliminary study, seeking to develop more detailed innovative gastronomic travel itineraries in the future and application of this study could serve as a framework. Promoting and selling a destination could also be the partial scope of the itineraries while incorporating innovative technology use in the future. The role of ICT and DMS should be examined in order to have a better understanding of developing and marketing the tourism products. For example by considering the characteristics of the global "foodie" travelers and examining similar tools available worldwide, an online itinerary builder could be developed at the official tourism website of Turkey. Such an attempt may accelerate the integration process of the electronic marketing strategies. But even some points mentioned in this current study could be beneficial for other researchers or practitioners in further developing more innovative tourism products or even research instruments. New itineraries could then be developed and marketed through the government by using innovation after understanding the importance of subject matter for Turkey. It is believed that such a new approach would not only create an awareness of Turkish culinary tourism in the academic literature and media, but also would create an agenda for others who would be involved in this area in the future.

8 Limitations

This was an exploratory study hence the results were preliminary in nature. Therefore the limitations could be tied to the number and quality of the interviewee responses, the limited representation from the different segments of the culinary world and the generalizability of the results. Further research will be conducted while exploring the role of using innovative technologies in developing the "Food Tourism" sector in Turkey.

Raziskava o povezanosti turške regionalne kulinarike in destinacij kulturnega turizma

Povzetek

Na kulinariko in turizem lahko gledamo kot na tesno povezana elementa, ki ob mnogih različnih priložnostih povezujeta ljudi in kulture. Raziskave so pokazale, da lahko na kulinariko gledamo kot na najmočnejše turistično doživetje in pomembnejšo turistično atrakcijo. Glavni namen članka je določiti in oceniti pomen kulinaričnega turizma za Turčijo in zasnovati številne inovativne itinerarije, povezane z regionalno kulinariko, po katerih bi se lahko zgledovali tudi drugod. Na podlagi intervjujev smo prišli do štirih novih spoznanj. Študija priporoča, da turško ministrstvo za turizem pripravi seznam ukrepov, zasnuje nove turistične itinerarije, povezane s kulinariko, in izda uradni kulinarični vodnik. Spoznanja, pridobljena v študiji, lahko služijo kot osnova za nadaljnje raziskave o rabi novih tehnologij v sektorjih, ki se ukvarjajo s kulinaričnimi destinacijami.

Ključne besede: kulinarični turizem, Turčija, regionalna kulinarika, inovacija

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