Vol. 8, No. 1, 2020 · UDC 005:338.48 · ISSN 2620-0279

МЕНАЏМЕНТ У ХОТЕЛИЈЕРСТВУ И ТУРИЗМУ

HOTEL AND TOURISM MANAGEMENT

УНИВЕРЗИТЕТ У КРАГУЈЕВЦУ

UNIVERSITY OF KRAGUJEVAC

ФАКУЛТЕТ ЗА ХОТЕЛИЈЕРСТВО И ТУРИЗАМ У ВРЊАЧКОЈ БАЊИ

FACULTY OF HOTEL MANAGEMENT AND TOURISM IN VRNJAČKA BANJA

Vol. 8, No. 1, 2020 ·UDC 005:338.48· ISSN 2620-0279

МЕНАЏМЕНТ У ХОТЕЛИЈЕРСТВУ И ТУРИЗМУ

HOTEL AND TOURISM MANAGEMENT

УНИВЕРЗИТЕТ У КРАГУЈЕВЦУ
UNIVERSITY OF KRAGUJEVAC

ФАКУЛТЕТ ЗА ХОТЕЛИЈЕРСТВО И ТУРИЗАМ У ВРЊАЧКОЈ БАЊИ
FACULTY OF HOTEL MANAGEMENT AND TOURISM IN VRNJAČKA BANJA

Менаџмент у хотелијерству и туризму
Hotel and Tourism Management
No. 1/2020

Publisher:
Faculty of Hotel Management and Tourism in Vrnjačka Banja

For publisher:
Prof. Drago Cvijanović, Ph.D., Dean

ISSN 2620-0279 (Printed)
ISSN 2620-0481 (Online)

UDC 005:338.48

Editorial office:
Journal Менаџмент у хотелијерству и туризму – Hotel and Tourism Management
Faculty of Hotel Management and Tourism in Vrnjačka Banja, Vojvođanska 5a, 36210 Vrnjačka Banja, Serbia
Tel./Fax No: 036 515 00 25
E-mail: htmanagement@kg.ac.rs

The journal is published biannually
Circulation: 100 copies

Printed by:
SaTCIP d.o.o. Vrnjačka Banja

The journal is indexed in scientific databases:

ERIHPLUS EBSCO Ulrich's Web

CEEOL SCIndeks WorldCat

DOAJ CNKI Google Scholar

CIP - Каталогизација у публикацији
Народна библиотека Србије, Београд

005:338.48

МЕНАЏМЕНТ у хотелијерству и туризму = Hotel and Tourism Management / Editor in Chief Drago Cvijanović. - Vol. 6, no. 1 (2018)- . - Vrnjačka Banja : Faculty of Hotel Management and Tourism in Vrnjačka Banja, 2018 - (Vrnjačka Banja : SaTCIP). - 25 cm

Polugodišnje. - Je nastavak: ХиТ менаџмент = ISSN 2334-8267. - Drugo izdanje na drugom medijumu: Менаџмент у хотелијерству и туризму (Online) = ISSN 2620-0481
ISSN 2620-0279 = Менаџмент у хотелијерству и туризму
COBISS.SR-ID 264085772

Editorial

Менаџмент у хотелијерству и туризму – Hotel and Tourism Management is an open access peer-reviewed journal which discusses major trends and developments in a variety of topics related to the hospitality and tourism industry. The Journal publishes both theoretical and applied research papers, giving full support to collaborative research efforts taken jointly by academia and industry. According to its editorial policy goal, *Менаџмент у хотелијерству и туризму – Hotel and Tourism Management* has constantly been striving to increase its quality by promoting the popularisation of science and providing significant scientific and professional contribution to the development of hospitality and tourism industry, both in Serbia and on the global scale. The Journal is published by the Faculty of Hotel Management and Tourism in Vrnjačka Banja, University of Kragujevac. Since launching the Journal in 2013, fourteen issues have been published so far.

Менаџмент у хотелијерству и туризму – Hotel and Tourism Management includes the following sections: Original Scientific Paper, Review Article, Short or Preliminary Announcement and Scientific Critique. It is published biannually. The Journal offers an open access of its contents, which makes research results more visible to a wider international academic community. All articles are published in English and undergo a double-blind peer-review process.

The main aspects taken into consideration in paper evaluation are the originality of the study, contribution to the theory and practice and the use of grammar and style (either American or British English are accepted). The expected turn-around period is one to two months following the date of receipt. The crucial requirements for the submission of a manuscript are that the manuscript has not been published before, nor is it under consideration for publication elsewhere. The manuscript will be initially checked to ensure that it meets the scope of the Journal and its formal requirements. Submitted content will be checked for plagiarism. The provided names and email addresses will be used exclusively for the purposes stated by the Journal and will not be made available for any other purpose or to any other party.

The Journal has a reputable international editorial board comprising experts from the United States, the United Kingdom, the Russian Federation, Spain, Italy, Mexico, Japan, Kuwait, India, Poland, Slovakia, Romania, Finland, Lithuania, Moldova, Greece, Slovenia, Bulgaria, Serbia, Croatia, Montenegro, North Macedonia, Bosnia and Herzegovina.

I am glad to announce that *Менаџмент у хотелијерству и туризму – Hotel and Tourism Management* is indexed in ERIHPLUS (European Reference Index for the Humanities and the Social Sciences), CEEOL (Central and Eastern European Online Library), DOAJ (Directory of Open Access Journals), EBSCO (EBSCO Information Services), Ulrich's Web (Ulrich's Periodicals Directory), SCIndeks (Serbian Citation Index), CNKI (China National Knowledge Infrastructure), WorldCat and Google Scholar databases.

I would like to use this opportunity to express my deep gratitude to the authors, reviewers, and members of the Editorial and Publishing Boards for their devoted time and efforts that have contributed to the development of our Journal. At the end, I am pleased to invite you to look into the latest research in the fields of hospitality and tourism presented in the current issue.

Editor in Chief
prof. Drago Cvijanović, Ph.D.

CONTENT

Original Scientific Papers

Review Articles

Original Scientific Paper

UDC: 338.48-6:502/504(676.2)
doi: 10.5937/menhottur2001011A

The role of procurement procedures in environmental management: A case study of classified hotels in Mombasa County, Kenya

Jane Akinyi Odeny[1*], Shem Maingi[2], Joseph Kurauka[3]

[1] Machakos University, Department of Hospitality Management, Machakos, Kenya
[2] Kenyatta University, Department of Hospitality and Tourism Management, Nairobi, Kenya
[3] Kenyatta University, Department of Environmental Studies and Community Development, Nairobi, Kenya

Abstract: This paper sought to examine the role of procurement procedures on environmental management. It adopted a cross-sectional descriptive research design that involved collecting and analyzing data of observations about the role of procurement practices on environmental management from a representative sample of managerial staff of classified hotels in Mombasa County, Kenya. The data collected was primary data. It was collected from staff in 69 hotels in Mombasa County, Kenya. The research used stratified random sampling technique where the employees were categorised into seven strata of general/assistant managers, food and beverage managers, executive chef, procurement officers, maintenance managers, receiving managers and housekeepers. From each of the stratum, a random sample was identified. The study employed Yamane's formula to determine the sample size. The study determined that procurement procedures influenced environmental management. The study also determined that some of the procurement procedures were perceived to have a greater influence than others. The most influential procurement procedure on environmental management is tendering adverts that attract suppliers offering environmentally friendly products, while the least influential is assessing the impact of suppliers on the environment prior to purchasing.

Keywords: procurement procedures, environmental management, classified hotels
JEL classification: Z32, Q56

Uloga postupaka nabavke u upravljanju životnom sredinom: Studija slučaja kategorisanih hotela u okrugu Mombasa, Kenija

Sažetak: Rad ima za cilj da ispita ulogu procedura nabavke u upravljanju životnom sredinom. Korišćenje deskriptivni istraživački pristup koji je uključio prikupljanje i analizu podataka o zapažanjima reprezentativnog uzorka rukovodećeg osoblja kategorisanih hotela u okrugu Mombasa u Keniji o ulozi nabavke u upravljanju životnom sredinom. Prikupljeni podaci su primarnog karaktera. Podaci su prikupljeni ispitivanjem osoblja u 69 hotela u okrugu Mombasa u Keniji. U istraživanju se koristila stratifikovana tehnika slučajnog uzorkovanja gde su zaposleni kategorisani u sedam nivoa generalnih menadžera i pomoćnika

* akinyiotieno45@yahoo.com

direktora, menadžera hrane i pića, šefa kuhinje, službenika nabavke, menadžera održavanja, menadžera za prijem i upravitelja domaćinstva. Iz svakog nivoa je identifikovan nasumični uzorak. U studiji se koristila Yamane-ova formula za određivanje veličine uzorka. Istraživanje je potvrdilo da procedure nabavke utiču na upravljanje životnom sredinom. Istraživanje je, takođe, potvrdilo da neki od postupaka nabavke imaju veći uticaj od drugih. Postupak nabavke sa najvećim uticajem na upravljanje životnom srednom je raspisivanje tendera koji privlače dobavljače koji nude ekološke proizvode, dok procena uticaja dobavljača na okruženje pre kupovine ima najmanji uticaj.

Ključne reči: procedure nabavke, upravljanje životnom sredinom, kategorisani hoteli
JEL klasifikacija: Z32, Q56

1. Introduction

The Hospitality and Tourism industry is very important to the Kenyan economy. Kenya earned 96 billion shillings from foreign exchange, contributed 8.3 per cent in employment countrywide in 2012 (KNBS, 2016, p. 38). Kenya Tourism Federation (2014), explains that hospitality sector is one of the biggest producers of waste food. However, the report observed that 40-60% of the hotels located on the Coastal region do not have green management supply design. This has led to hips of garbage and litter in the environment, which has resulted to high carbon emissions that are harmful to both fauna and flora. Kenya Tourism Federation (2014) specifies that, Kenya in particular, generates tons of waste each year. The Sustainable Tourism Report (2013), cautions that, "the survival of the Hospitality and Tourism industry depends on environmental conservation" (p. 55).

Procurement Procedures are a necessary component of Supply Chain Management (SCM). "It reflects the need to include suppliers as part of the implementation of environmentally sound practices for materials management and purchasing processes and procedures, tantamount to greening the supplier" (Srivastava, 2005, p. 75). Procurement procedures are measured the techniques used in acquiring raw materials, suppliers who are able to source environmentally friendly materials and materials such as organic and natural products applied by the hotels. Knudsen (2013) notes that "supply chain management practices are the integration of improvement of the environment and curbing of natural risks" (p. 18). Wu et al. (2012) explains that supply chain management practices are actions, procedures, processes and activities that are friendly to the environment. Environmental responsibility has lately become a corporate issue as it has drawn special attention especially in the hotel industry (Khisa, 2011).

There are three levels of SCM practices proposed to result from different combinations of drivers and supply chain management practices. When a firm is motivated mainly by internal and external drivers and possesses low supply chain capabilities, we expect internal (mainly manufacturing), reactive or 'end-of-pipe' green practices, where a firm tries only to 'clean' negative environmental impacts with minimum implementation of proactive practices. The study aimed at investigating the role of supply chain management practices in environmental management in classified hotels in Mombasa County, Kenya. Thus, this study was based on the following hypothesis: there is no significant relationship between the procurement procedures and environmental management in classified hotels in Mombasa County, Kenya.

2. Literature review

"A firm's procurement system is a vital component of a company's supply chain system" (Janković & Krivačić, 2014, p. 15). "Typically, a company's procurement function is subdivided into strategic and operational processes since activities and priorities in these two areas are entirely different" (Amemba, 2013, p. 36). Due to the importance of procurement in an organization, some organizations have enhanced their procurement processes by adopting new systems such as e-procurement that is used in conjunction with the changed technologies of electronic trade such as archive imaging, work process management, announcement boards and email to empower business process reengineering. Organizations acquisition enables purchasers to buy goods and services using various facilities in an assortment of forms. Most importantly, parastatals see acquirement as a decent chance to upgrade and enhance productivity in obtainment procedures among people in general sector bodies. These procedures are exceptionally directed, with specific rules for advertising obtainment needs.

As accurately featured by Siem (2005), government procurement procedures could be guided by three fundamental principles: every single interested gathering in all part states must have an equivalent chance to submit tenders, all enquiries must get equivalent treatment keeping in mind the end goal to wipe out discrimination on the grounds of the nationality of the contractual worker or the starting point of the goods/services and each of the offering and honor procedures must include the utilization of target criteria. "With these combinations, e-procurement can give rise to a number of benefits to an organization and to the strategic position of a firm such that it will consolidate purchasing practices that will prompt more prominent discounts and better service from suppliers, quicken the stream of critical data between the purchaser and supplier, decrease administrative hours, liberating them up to do other work and furthermore helps to respond rapidly to very aggressive new market entrants" (Chiu & Hsieh, 2015, p. 114).

Wu et al. (2012) assert that policy makers are increasingly showing interest in unethical processes that transpire in the procurement front since little progress has been achieved. To a competent supply organization, the award of tender should ensure effective delivery of goods of cost, time and quality standard. It is generally accepted that the main goals in any supply are budget, schedule and quality (Perry & Sohal, 2009). Meeting goals related to cost, schedule, quality and safety is the overall success of a supply. To ensure performance of the supply in relation to the above-mentioned variables is therefore the objective of taking all the required precautions and due processes in the selection of supplier to execute a market tender.

Hoske (2015) proposes prequalifying of suppliers before the process of bidding to ascertain their ability to meet project and client objectives as a method of improving performance on construction. Thus, capable, competent and competitive suppliers' prequalification is key to determining the awarding of tenders. The tendency of suppliers to be sophisticated is a fact and it is therefore necessary to explore the effect of service delivery by supplier's prequalification. When procedures and procurement standards are stipulated, the competencies types of procurement operations staff are affected indirectly by the legal framework. However, some cases are different, as in the US procurement legal frameworks according to Illinois Public Higher Education Procurement where quality and type of staff competencies by implication are suggested openly (Manyara & Jones, 2007).

According to Mensah (2016), the Kenyan procurement management heavily suffers from unethical practices and it is thus necessary to make ethical considerations in order to re-establish public trust. Green et al. (2012) asserts that the most common challenge undermining the battle against corruption is the maintenance of secretive relationships in procurement. Corruption and conflict of interest, among other deceptive practices in procurement pose issues that are damaging to the purchasing department itself, relations with other departments, and suppliers.

3. Materials and methods

This study adopted a cross-sectional descriptive research design that involved collecting and analyzing data of observations about the role of procurement practices in environmental management from a representative sample of managerial staff of classified hotels in Mombasa County, Kenya. Kothari (2004) asserts that "cross-sectional descriptive surveys are useful in establishing practices, attitudes, knowledge and beliefs of either an entire population or a subset" (p. 18). Data was collected from individuals selected.

The collected data was primary ones, collected from staff in 69 hotels in Mombasa County, Kenya. These hotels were identified using a list developed by the Tourism Regulatory Authority in Kenya.

The unit of analysis was the managerial staff, supervisors and housekeepers. The management was targeted as they are well informed of the procurement practices at the policy implementation level while the housekeepers ensure the daily operations of the hotel in relation to environmental management in their hotels. Table 1 shows the strata distribution in the hotels.

Table 1: Target population distribution

Section Managers	**Classified hotels**					**Population**
	*	**	***	****	*****	
General or Assistant Managers	15	20	17	15	2	69
Food and Beverage Managers	0	0	17	15	2	34
Executive Chef	0	0	17	15	2	34
Procurement Managers	0	0	17	15	2	34
Maintenance Managers	0	0	0	15	2	17
Receiving Managers	0	0	0	15	2	17
Housekeepers	0	0	2	15	2	19
Total (N)	**15**	**20**	**70**	**105**	**14**	**224**

Key (Hotel rating): * One-star, ** Two-star, *** Three-star, **** Four-star, ***** Five-star
Source: Author's research, 2017

The research used stratified random sampling. This technique fits the study as it gives each element within each stratum an equal probability of being selected (Denscombe, 2008). From each stratum (Table 1), a random sample was identified. Collecting data from each stratum ensured representativeness of the sample, while random selection within the strata reduced biasness in selecting the respondents. The study adopted Yamane's formulae (equation 1) to determine an adequate sample size, *n*, of the survey (Yamane, 1967):

$$n = \frac{N}{1+N(e)^2} \tag{1}$$

Where:

n is the optimum sample size,
N - the number of managerial staff in the classified hotels in Mombasa County (224),
e - the probability of error (i.e. the desired precision, i.e. 0.05 for 95% confidence level).

Sample size, *n*:

$$172 = \frac{224}{1+224(0.05)^2} \tag{2}$$

To minimize bias so as to ensure the reliability and validity of the findings, a proportionate sample for each segment of the stratum was identified as shown in Table 2.

Table 2: Sampling frame

Sections	**Population**	**Sample size**	**Percentage**
General/ Assistant managers	69	53	31
Food and beverage managers	34	26	15
Executive Chef	34	26	15
Procurement managers	34	26	15
Maintenance managers	17	13	8
Receiving managers	17	13	8
Housekeepers	19	15	8
Total	**224**	**172**	**100**

Source: Author's research, 2017

A non-structured questionnaire is a questionnaire where the listing of questions is in a prearranged order and where the purpose of the data is revealed to the respondents. The choice of three instruments was to ensure triangulation was achieved. Most of the questions were close-ended to allow easy coding, faster responses and direct research to relevant and desirable variables hypothesized as possible challenges. The 5-point Likert type scale was adopted for the study. "The Likert scale used was 1=strongly disagree, 2=disagree, 3= indifferent (neutral), 4= agree and 5=strongly agree" (Denscombe, 2008, p. 34). The rationale for choosing the questionnaire as the research instrument was primarily due to its practicability, applicability to the research problem and the size of the population. It is also cost effective (Denscombe, 2008). The questionnaire was organised into two parts; the first part sought information on the respondent's demography, which included their job category, length of time in the hotel, the operational time of the hotel as well as its rating. The second section, i.e. part B, contained the questions related to supply procurement practices.

A pretest was done to eliminate possible flaws in data collection procedures. Some questionnaires were distributed to managerial and support staff in hotels of similar caliber in Nairobi County. Eleven questionnaires were collected for scrutiny before the data in them was analyzed (Table 3). Mugenda and Mugenda (2003) state that a "relatively small sample of 10 to 20 respondents can be chosen from the population during piloting which is not included in the sample chosen for the main study" (p. 55).

Table 3: Hotels sampled and response rate

Classification (Hotel rating)	**Questionnaires issued per hotel**	**Questionnaires received**
*	4	3
**	4	2
***	4	2
****	4	2
*****	4	2
Total	**20**	**11**

Source: Author's research, 2017

Reliability was estimated using Cronbach's Alpha Coefficient. A reliability of at least 0.70 at α=0.05 significance level of confidence is acceptable (Coopper & Schidlers, 2003). Table 4 shows the reliability analysis table. The universally acceptable Likert scale items were used in gathering data to enhance criterion validity. The help of an expert was sought in their preparation to ensure content validity.

Table 4: Reliability analysis

Dimension	Cronbach's Alpha Reliability Coefficients	Evaluation based on Sekaran (2000)
Procurement procedures	0.962	Acceptable

Source: Author's research, 2017

In total 172 questionnaires were administered through direct interaction with the respondents. However, in a case where the collection of data through face to face proved difficult, the researcher used the drop and pick method.

Statistical Package for Social Sciences (SPSS) was used to analyze the data. Most of the data was analyzed by use of descriptive statistics. Chi-square was employed to establish a relationship between variables. A repeated measure ANOVA was conducted to examine the influence of seven procurement procedures on environmental management in classified hotels using Likert scale values where 1 = not at all influential, 2 = slightly influential, 3 = somewhat influential, 4 = very influential and 5 = extremely influential. Table 5 shows Measurement of Constructs.

Table 5: Measurement of constructs

Objective	Scaling
To examine the influence of procurement procedures on environmental management in classified hotels within Mombasa County, Kenya.	• Ordinal • Nominal

Source: Author's research, 2017

The hypothesis was tested using Chi-square analysis. This analysis was used in order to establish the existence of an association between variables: Phi=0.000 an association exists.

4. Results and discussion

This section presents the findings and discussions on the roles of procurement procedures in environmental management of classified hotels in Mombasa County in Kenya.

Table 6 shows data on the number of hotels sampled and the response rate. According to Chege (2012, p. 25) and Chan et al. (2015, p. 51), "a survey with an overall response rate of more than 59 percent shows the success of the survey". The response rate was 61%.

Table 6: Hotels sampled and response rate

Classified hotels	Number	Questionnaires issued per hotel	Total questionnaires issued	Questionnaires received
*	15	2	30	27
**	20	2	40	30
***	17	3	51	24
****	15	3	45	18
*****	2	3	6	6
Total	**69**		**172**	**105**

Source: Author's research, 2017

Data on the management positions held by the participants indicated that they worked in eight management positions in the classified hotels. The findings showed that the number of respondents in the various positions varied as presented in Table 7.

Table 7: Data on the management positions held by the participants

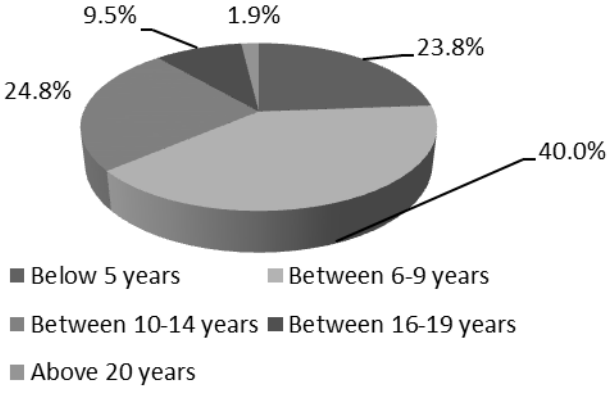
Management position	Frequency	Percent
General/assistant general manager	21	20.0
Food and beverage manager	15	14.2
Executive chef	13	12.3
Procurement/supplies manager	15	14.2
Maintenance manager	11	10.4
House-keeping manager	12	11.6
Front office manager	8	7.8
Marketing manager	10	9.5
Total	**105**	**100.0**

Source: Author's research, 2017

This is in line with Carter's (2014) view that support from middle level managers in organizations is key to successful implementations of GSCM practices.

Figure 1 shows the length of time served by the participants in the classified hotels. According to Murutu (2016) the working experience of the workforce positively correlates with successful supply chain performance given the fact that the members of an organization have significant information on a firm's overall procurement strategy. Consequently, they could be assumed to understand well the hotels procurement practices and the environment.

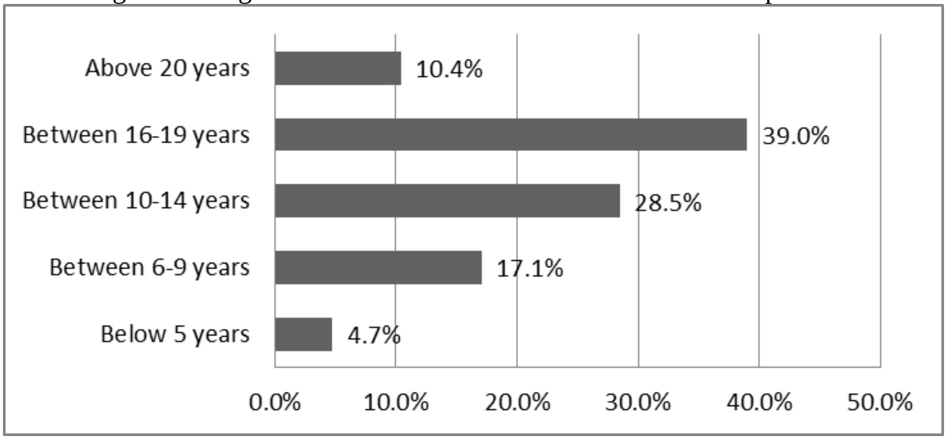
Figure 1: Length of time served by the participants in the classified hotels



Source: Author's research, 2017

Figure 2 shows that most of the classified hotels (39%) had been in operation for a period of between 16 to 19 years, while 2% had been in operation for a period of above 20 years. This shows that the classified hotels had been long in existence and this made the hotels conducive for the study.

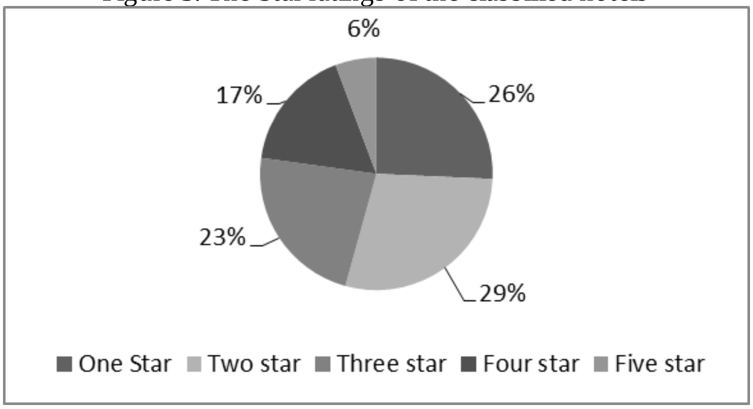
Figure 2: Length of time the classified hotels have been in operation



Source: Author's research, 2017

Figure 3 shows the star rating of the hotels under study. A majority of the hotels are 2-star hotels.

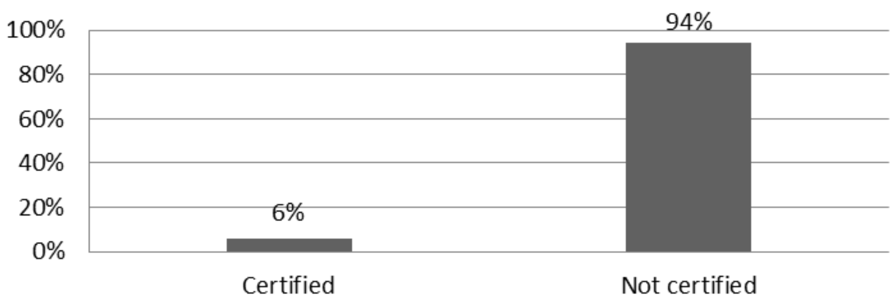
Figure 3: The Star ratings of the classified hotels



Source: Author's research, 2017

Figure 4 shows the ISO 9001 certification status of the classified hotels. ISO certification requires adherence to laid down environmental protection procedures.

Figure 4: ISO 9001 certification status of the classified hotels



Source: Author's research, 2017

Table 8 shows the descriptive statistics of the influence of procurement procedures on the environmental management.

Table 8: Descriptive statistics of the influence of procurement procedures on environmental management

	Strongly disagree		**Disagree**		**Neutral**		**Agree**		**Strongly agree**			
Procurement procedures	**F**	**%**	**F**	**%**	**F**	**%**	**F**	**%**	**F**	**%**	**Mean**	**Std. Deviation**
Tendering adverts that attract suppliers offering environmentally friendly products	1	1	3	3	11	10	53	50	37	35	3.19	0.785
Assessing of suppliers on environmentally friendly practices	-	-	-	-	6	6	81	77	17	16	2.79	0.583
Having suppliers comply with acceptable environmental certification standards	1	1	2	2	9	9	63	60	21	20	2.98	0.693
All bidders meet environmental certification standards	-	-	-	-	-	-	89	85	16	15	3.12	0.804
Assessing the impact of suppliers on the environment prior to purchasing	-	-	-	-	9	9	72	69	24	23	2.84	0.600
Only purchasing from suppliers selling environmentally friendly products	1	1	1	1	19	18	61	58	23	22	2.86	0.501
Total											**20.9**	**4.783**
Average											**2.99**	**0.683**

Source: Author's research, 2017

The descriptive statistics indicated that overall, respondent perceived all the procurement procedures to influence environmental management in the classified hotels. The survey conducted revealed that majority of the respondents (85%) agreed that all bidders that met environmental certification standards influenced environmental management; 77% agreed that assessing suppliers on environmentally friendly practices influenced environmental management; 69% agreed that assessing the impact of suppliers on the environment prior to purchasing influenced environmental management. Furthermore, 60% agreed that having suppliers comply with acceptable environmental certification standards influenced environmental management; 58% agreed that only purchasing from suppliers selling environmentally friendly products influenced environmental management; 57% agreed that having bidders that met environmental certification standards influenced environmental management and 50% agreed that tendering adverts that attracted suppliers offering environmentally friendly products influenced environmental management.

Housekeepers where asked to explain the importance of sustainable development for the hotel industry in general. According to the responses, given sustainable development has enhanced purchasing of only environmentally friendly products by the hotels, has enhanced environmentally friendly production processes and has reduced harmful emissions and pollution control in the hotels. One of the interviewees said: "*Sustainable development for the hotel industry is the best thing for this country in the realization of vision 2030 and boosting of local tourism and the economy"*.

The findings agree with various arguments. "Environmental management issues have been important to the hotels" (Knudsen, 2013, p. 36). The availability, characteristics, knowledge, ambitions, equipment and actions of the suppliers can have an impact on purchasing and green purchasing especially by hotels (Knudsen, 2013). The result concurs with Trochim (2001) argument that the main sustainable procurement strategies include supplier capacity development, sustainability criteria in contract, vendor assessment and sustainable supply roles. Sarkis's (2001) argument that sustainable procurement strategies should be supported by clear lines of accountability, with incentives and penalties for delivery, are intended for the classified hotels having bidders that meet environmental certification standards, having suppliers comply with acceptable environmental certification standards, having all bidders meet environmental certification standards, assessing the impact of suppliers on the environment prior to purchasing and on environmentally friendly practices. The findings about the influence of only purchasing from suppliers selling environmentally friendly products agree with Butler's (2015) view that "companies need to monitor the environmental impact of suppliers, and develop an environmental purchasing policy that aims to reduce the environmental impact of their own and their suppliers activities, goods and services (otherwise known as 'green buying')" (p. 25).

The respondents ranked the procurement policies and regulations as they were applied in their hotels. Table 9 shows that majority of the respondents (42%) ranked training of staff on the procurement policies as the highest procurement policy. Involvement of suppliers in ensuring compliance with procurement policies was ranked lowest at 6%.

Table 9: Application of procurement policies in the classified hotels

Procurement procedures	**Frequency**	**Percentage**
Favouring local products that comply with existing regulations where possible	29	28
Purchasing appliances and other equipment that are designed for minimum water and energy consumption	17	16
Training staff on the procurement policies set by the hotel industry	42	40
Involving suppliers in ensuring compliance with procurement policies by the hotel	6	6
Preference of products with recyclable packaging	11	10
Total	**105**	**100**

Source: Author's research, 2017

These results also support Chiu and Hsieh's (2015) opinion that "procuring organizations are more seriously involved in designing and implementing sustainable procurement policies focusing on how environmental issues and issues relating to other aspects of the sustainable development pillars (society and economy) can be integrated in the procurement with a view to enhance their supply chain performance" (p. 63). The findings also showed that the influence of these procurement procedures was perceived to differ on the environmental management of the classified hotels.

A Chi-Square test was run to determine the relationship between the procurement procedures and environmental management in classified hotels in Mombasa County, Kenya. The results are shown in Table 10.

Table 10: Chi-test for procurement procedures and environmental management

Independent variable	Hypothesis	Chi-sq. p value	Sig. Value	Result	Decision
Procurement Procedures	H_{01}	0.028	0.05	0.028<0.05	H_{01}: rejected

Source: Author's research, 2017

Table 10 shows at 95% confidence level, the Null Hypothesis (H_{01}:) yielded Pearson's P-value < 0.05, hence, the Null hypothesis (H_{01}: There is no significant relationship between the procurement procedures and environmental management in classified hotels in Mombasa County, Kenya) was not accepted. Consequently, the alternative hypothesis (There is a significant relationship between the procurement procedures and environmental management in classified hotels in Mombasa County), Kenya was accepted.

5. Conclusion

The findings indicate that procurement procedures influence environmental management. However, some of the procurement procedures were perceived to have greater influence than others. The most influential procurement procedure on environmental management was tendering adverts that attract suppliers offering environmentally friendly products while the least influential one was assessing the impact of suppliers on the environment prior to purchasing. The overall survey findings revealed that the respondents perceived the following parameters to have an influence on environmental management in the classified hotels: tendering adverts that attract suppliers offering environmentally friendly products, having bidders that meet environmental certification standards, assessing of suppliers on environmentally friendly practices, having suppliers comply with the acceptable environmental certification standards, all bidders meet environmental certification standards, assessing the impact of suppliers on the environment prior to purchasing and only purchasing from suppliers selling environmentally friendly products.

The purpose of this paper was to examine the role of procurement procedures in environmental management. The study concluded that procurement procedures influenced environmental management. The study recommends that hotels should embrace all the procurement procedures that contribute to environmental management so as to enjoy their benefits, in particular, tendering adverts that attract suppliers offering environmentally friendly products. The hotels should also be encouraged to carry out an impact assessment of the suppliers on the environment prior to purchasing.

Acknowledgments

Special appreciation to Mr. Silvanus Mukai for the special aid he accorded us in coming up with this paper and to our colleagues for the pieces of advice they gave no matter how small.

References

1. Amemba, M. (2013). *Logistics & supply chain management* (41st ed.). London, United Kingdom: Pearson Education.
2. Butler, J. (2015). The compelling "hard case" for "green" hotel development. *Cornell*

Hospitality Quarterly, *49*(3), 234–244. https://doi.org/10.1177/1938965508322174

3. Carter, C. (2014). Social responsibility and supply chain relationships. *Transportation Research Part E: Logistics and Transportation Review*, *38*(1), 37–52. https://doi.org/10.1016/S1366-5545(01)00008-4
4. Chan, W., Wong, K., & Lo, J. (2015). Hong Kong hotels' sewage: Environmental cost and saving technique. *Journal of Hospitality & Tourism Research*, *33*(2), 329–346. https://doi.org/10.1177/1096348009338525
5. Chege, E. (2012). *Green supply chain management and supply chain performance of private hospitals in Nairobi Kenya* (Unpublished MBA project). University of Nairobi, Kenya.
6. Chiu, J.-Z., & Hsieh, C. C. (2015). The impact of restaurants' green supply chain practices on firm performance. *Sustainability*, *8*(1), 1–14. https://doi.org/10.3390/su8010042
7. Cooper, D., & Schindler, P. (2003). *Business research methods* (8th ed.). New York, USA: McGraw-Hill.
8. Denscombe, M. (2008). Communities of practice: A research paradigm for the mixed methods approach. *Journal of Mixed Methods Research*, *2*(3) 270–283. https://doi.org/10.1177/1558689808316807
9. Green, K. W., Zelbst, P. J., Meacham, J., & Bhadauria, V. S. (2012). Green supply chain management practices: Impact on performance. *Supply Chain Management*, *17*(3), 290–305. https://doi.org/10.1108/13598541211227126
10. Hoske, S. (2015). Benchmarking supply chain sustainability: Insights from a field study. *Benchmarking: An International Journal*, *18*(5), 705–732. https://doi.org/10.1108/14635771111166839
11. Janković, S., & Krivačić, K. (2014). Environmental accounting as perspective for hotel sustainability: Literature review. *Tourism and Hospitality Management*, *20*(1),103–120.
12. Kenya Tourism Federation (2014, February). *Daily Nation Newspaper: Statement by the Kenya tourism industry*. Nation Media Group Ltd, Kenya.
13. Khisa, J. (2011). *Green procurement in public sector a case of parastatals in Kenya* (Unpublished MBA project). University of Nairobi, Kenya.
14. KNBS (Kenya National Bureau of Statistics) (2016). *Economic survey*. Nairobi, Kenya: Government Press.
15. Knudsen, D. (2013). *Improving procurement performance with e-business mechanisms*. PhD thesis, Lund University, Sweden.
16. Kothari, C. (2004). *Research methodology: Methods and techniques* (2nd Revised). New Delhi, New Age International (P) Ltd.
17. Manyara, G., & Jones, E. (2007). Best practice model for community capacity-building: A case study of community-based tourism enterprises in Kenya. *Tourism*, *55*(4), 403–415.
18. Mensah, I. (2016). Environmental management practices among hotels in the greater Accra region. *International Journal of Hospitality Management*, *25*(3), 414–431. https://doi.org/10.1016/j.ijhm.2005.02.003
19. Mugenda, O., & Mugenda, G. (2003). *Research methods: Quantitative and qualitative approaches*. African Centre for Technology Studies.
20. Murutu, T. (2016). Green supply chain implementation: Best practices and challenges. *AIBUMA conference*, School of Business, University of Nairobi.
21. Perry, J., & Sohal, H. (2009). *Creating a green supply chain information technology as an enabler for a green supply chain*. Retrieved April 30, 2020 from https://www.semanticscholar.org/
22. Sarkis, J. (2001). Manufacturing's role in corporate environmental sustainability: Concerns for the new millennium. *International Journal of Operations and Production Management*, *21*(5/6), 666–686. https://doi.org/10.1108/01443570110390390

23. Siem, T. (2005). Supply chain management: The science of better, faster, cheaper. *Southwest Economy*, 2, 7–12.
24. Srivastava, S. K. (2005). Profit driven reverse logistics. *International Journal of Business Research*, *4*(1), 53–61.
25. Sustainable Tourism Report (2013). *Our common future: Report of the World Commission on Environment and Development*.
26. Trochim, J. (2001). *The relationship between top managers' environmental attitudes and environmental management in hotel companies*. Virginia Polytechnic Institute and State University, Virginia.
27. Wu, M., Ye Bi, H., Cai, J., & Huang, Z. (2012). The relation between consumer behavior toward environmental protection and their hotel preference. *Study of Environment and Management*, *4*(2), 61–81.
28. Yamane, T. (1967). *Statistics: An introductory analysis* (2nd ed.). New York: Harper and Row.

Received: 16 March 2020; Sent for revision: 30 April 2020; Accepted: 17 May 2020

Original Scientific Paper UDC: 338.487:658.626
doi: 10.5937/menhottur2001025F

The impact of consumers' traveling and media activities on consumer behaviour towards purchasing global brands

Jovana Filipović[1*], Srđan Šapić[1]

[1] University of Kragujevac, Faculty of Economics, Kragujevac, Serbia

Abstract: The main objective of this research is an analysis of the impact that consumer travel and the presence of global brands in the media have on the attitudes and intentions which consumers have regarding the purchase of these brands. In order to analyse previously mentioned relationships between the variables, an empirical study was conducted as well as statistical analysis of the obtained data. Testing of hypotheses and relationships between variables was performed using structural equation modelling (SEM). The research results indicate that consumer travel and media activities of global companies have a positive and statistically significant impact on attitudes which consumers have regarding the purchase of global brands, and that attitudes have a very strong and positive impact on consumers' intentions regarding future purchases of global brands. In addition, it has been found that female consumers, younger and middle-aged consumers, as well as consumers with higher levels of education are more prone to form intentions regarding the purchase of global brands. The study contributes to the existing scientific literature in the field of international marketing and brand management, since there are a certain number of papers in the field of global branding in the foreign scientific literature, while in the domestic scientific literature the mentioned area is relatively unexplored.

Keywords: global brand, consumer travel, media activities, attitudes and behavioural intentions
JEL classification: M31

Uticaj putovanja potrošača i medijskih aktivnosti kompanija na ponašanje potrošača prema kupovini globalnih brendova

Sažetak: Predmet ovog rada jeste analiza faktora koji ostvaruju uticaj na stavove i namere potrošača prema globalnim brendovima. Shodno tome, osnovni cilj ovog istraživanja jeste analiza uticaja putovanja potrošača, kao i prisustva brendova u medijskim aktivnostima, na stavove i namere potrošača u pogledu kupovine globalnih brendova. Radi analize prethodno spomenutih veza između posmatranih varijabli, sprovedeno je empirijsko istraživanje, kao i statistička obrada dobijenih podataka. Testiranje hipoteza i utvrđivanje veza između varijabli izvršeno je putem modela strukturalnih jednačina (SEM). Rezultati istraživanja ukazuju da faktori putovanja potrošača i medijske aktivnosti globalnih kompanija imaju pozitivan i

* jovanagolo@kg.ac.rs
** The article was presented in the previous version at a scientific conference of the Serbian Marketing Association in the form of an oral announcement (under the same title).

statistički značajan uticaj na stavove koje potrošači imaju u pogledu kupovine globalnih brendova, kao i da stavovi imaju veoma jak i pozitivan uticaj na namere koje potrošači imaju u pogledu buduće kupovine globalnih brendova. Pored toga, utvrđeno je da su potrošači ženskog pola, potrošači mlađe i srednje starosne grupe, kao i potrošači sa višim nivoom obrazovanja skloniji formiranju namera u vezi sa kupovinom globalnih brendova. Istraživanje predstavlja doprinos postojećoj naučnoj literaturi iz oblasti marketinga i brend menadžmenta, s obzirom da u stranoj naučnoj literaturi postoji određeni broj radova iz oblasti globalnog brendiranja, dok je u domaćoj naučnoj literaturi navedena oblast relativno neistražena.

Ključne reči: globalni brend, putovanja potrošača, medijske aktivnosti kompanija, stavovi i namere potrošača
JEL klasifikacija: M31

1. Introduction

Globalization is result of factors including "worldwide investment, production and marketing, advances in telecommunication technologies and the internet, increases in world travel and the growth of global media" (Alden et al., 2006, p. 227; Holt et al., 2004). Some authors (e.g., Hannerz, 1990; Levitt, 1983) have claimed that "these trends cause the formation of a global consumer culture" (Alden et al., 1999, p. 76). This culture is described as "interest in global products and brands and by global consumer segments with similar interests in products and consumption activities that associate similar meanings with certain places, people, and things" (Nijssen & Douglas, 2011, p. 114). In accordance with that, in the marketing literature since the 80's onwards, there is an emphasized homogenization at the global level of consumers' needs, desires and tastes (Levitt, 1983). Consequently, multinational and global companies are increasingly offering standardized, global products and services (Keillor et al., 2001). Global companies develop global brands, which, "from supply side, can create economies of scale and scope in research and development, manufacturing, sourcing, and marketing for these companies, and from demand side, global brands, with their consistent positioning, may benefit from a unique perceived image worldwide" (Özsomer & Altaras, 2008, p. 1).

Global brands can be defined as the "brands that consumers can find under the same name in multiple countries with generally standardized and centrally coordinated marketing strategies" (Özsomer, 2012, p. 72; Schuiling & Kapferer, 2004; Steenkamp et al., 2003). Similarly, global brands are defined as "those that have widespread regional/global awareness, availability, acceptance, and demand and are often found under the same name with consistent positioning, personality, look, and feel in major markets enabled by centrally coordinated marketing strategies and programs" (Özsomer & Altaras, 2008, p. 1). Also, global brands are defined as "brands that use the same marketing strategy and mix in all target markets" (Levitt, 1983; Schuiling & Kapferer, 2004; Yip & Hult, 2012). "While most researchers agree that wide availability and recognition are the key features of global brands, universal relevance, global image, standardization, esteem, high quality, and social responsibility are important as well" (Özsomer, 2012, p. 72).

Based on the relevant literature in the field of international marketing, we determined a research framework which includes the factors that influence consumers' attitudes and intentions towards purchasing global brands, and which are not frequently analysed. The purpose and aim of the conducted research is to analyse the impact that consumers' traveling and brand presence in media activities make on attitudes which consumers have regarding global brands, but also to analyse the impact that attitudes make on consumers' purchase intentions. Having in mind the very pronounced influence and presence of multinational and global companies in the modern business surroundings, it is very important to explore the reasons why consumers buy these companies' brands.

2. Theoretical framework

2.1. Consumers' traveling

When people travel outside their home country and have contact with foreign cultures, they gain knowledge of other cultures and their values. Such experiences influence people by reducing ignorance, misunderstanding and mistrust on a global level and foster social integration (Appadurai, 1990). From the marketing point of view, exposure to foreign cultures through migration and travel leads to greater openness and willingness of consumers to try new and foreign products, which they cannot find in their domestic market. Different types of travel and migration globally, influence the creation of positive attitudes and reactions which consumers have towards foreign products and services, when compared to domestic alternatives (Beckmann et al., 2001; Nijssen & Douglas, 2011).

"Due to reducing barriers on a global level, the advancement of technology and easier access to fast and cheap means of transportation, mass migration of people has become a hallmark of today's world, resulting in direct and indirect contacts between members of different cultures" (Cleveland & Laroche, 2007, p. 252). This is happening not only because of business trips and tourism trips but also because of the increasing number of people who are moving abroad for their jobs, people visiting family members and friends in foreign countries and international movement of students (Wilk, 1998). Appadurai (1996) categorizes all "mass migrations into three types of cross-cultural interactions: 1) all types of traveling to foreign countries, 2) social contact with friends, family, and other people who have been abroad for some time, and 3) social contact with foreigners" (p. 147). He points out, in fact, that through all these types of migration, and most of all through travel, it is possible to spread the so-called global culture and to increase its distribution.

Numerous studies have shown that consumers who have more experience with foreign cultures, through various forms of international travel, also have a more positive attitude towards global alternatives regarding products and services (Alden et al., 2006; Cleveland et al., 2011; Nijssen & Douglas, 2008; Nijssen & Douglas, 2011; Wilk, 1998). Implications of these findings can be of great importance from the perspective of tourism sector, given the increasing migration, travel and the reduction of barriers between countries, on a global level (Pavlek, 2000). Thus, companies from the tourism sector, who invest in their brand and have a recognisable and widespread multinational and global presence and awareness, can have important benefits from the segment of consumers who travel frequently. Bearing in mind that frequent travellers are generally cosmopolitan-oriented and appreciate world-famous and omnipresent brands, it can be assumed that they will want to use the services of world-renowned restaurants, hotels, transport companies, etc. (Šapić et al., 2019). These consumers often choose recognizable international and global brands (such as McDonald`s, Starbucks, or franchise hotels), due to their standardized service offerings and quality, wide spread presence in many countries and consumers' familiarity with them. Keeping in mind all given theoretical assumptions, results of previous studies, and that attitudes refer to the "positive or negative feelings which a person has regarding object behaviour" (Fishbein & Ajzen, 1975, p. 216), but also an enduring, general assessment of people, objects, advertisements or social issues (Baron & Byrne, 1987), we defined the first general hypothesis:

H1: Consumers' travels have a positive and statistically significant impact on consumers' attitudes towards purchasing global brands.

2.2. Media activities of global companies

"Exposure to the global mass media and marketing activities of multinational and global companies is one of the main factors which have a positive influence on consumers' attitudes towards the global consumer culture, whose main carriers are precisely global brands" (Cleveland et al., 2016, p. 1092). "Access to television and other forms of mass media around the world has helped to create a global culture of consumption. European, Asian, and especially American television shows and films are getting increasingly available worldwide" (Cleveland & Laroche, 2007, p. 252). "If consumers largely choose the mass media (films, television and magazine content) from foreign countries, they are likely to be exposed to multicultural experiences and, with increasing knowledge, they should develop a more positive attitude towards consumption alternatives which are outside their home environment" (Alden et al., 2006, p. 231).

In addition to this, Walker (1996) "concluded that the access to television worldwide has led to the creation of a global consumer culture, which he calls a global shopping mall" (p. 42). Similarly, Appadurai (1990) and Alden et al. (1999, p. 75) have argued "that mass media content, primarily of American descent, plays an important role in the creation, learning, and sharing of consumers' symbols (including, for example, product categories, brands, and consumers' activities)". For those living in a relatively homogeneous environment, the omnipresent global media provides an opportunity for imagining contact with outside cultural groups. The marketing and media activities which multinational and global companies implement collectively bear a great responsibility for spreading the global consumer culture (Peñaloza & Gilly, 1999).

Given that many contemporary brands are more concerned with the transfer of meaning and less with product features, media activities are of great importance for the international and global success of these brands, by influencing the attitudes and intentions of consumers. This is of particular importance to the services sector, such as the tourism sector, in which the intangible elements of the brand and service offering are emphasized (Anholt, 1999). Multinational and global companies in tourism sector (such as hotel and restaurant chains) usually have brands that are well known in the international or global level, which consumers can find in many markets, as well as standardized marketing mix. Therefore, many hotels, restaurants and transport companies, especially international and global ones, use media campaigns as a means of influencing the attitudes and intentions of their consumers in different markets on a global level. Furthermore, in today's competitive environment, global companies in tourism sector use different media activities, such as social networks and on-line distribution channels to improve their business performance, through their influence on consumers` attitudes and intentions (Vrkljan & Bognar, 2017). Based on the all previous statements and results of previous studies, hypothesis H2 can be defined:

H2: Brand presence in the media has a positive and statistically significant impact on consumers' attitudes towards purchasing global brands.

2.3. Attitudes and intentions towards global brands

Attitudes refer to the "positive or negative feelings (affective judgment) which a person has regarding object behaviour" (Fishbein & Ajzen, 1975, p. 216). Therefore, the consumer will probably engage in some form of behaviour if he or she evaluates it positively. Attitudes are formed based on cognitive factors, such as needs, expectations and values. As a consequence, attitudes influence the intensity of individuals' intentions (Atkinson, 1964). A similar opinion is shared by Ajzen and Fishbein (1980), who "argue that intentions are strongly influenced by the attitudes of individuals, with response and action as the ultimate results of this". Behavioural intentions are defined as "the strength of an individual's intention to commit a particular type of behaviour" (Fishbein & Ajzen, 1975, p. 288). In addition, intentions influence actual behaviour of consumers, which indicates that it`s more probable that certain behaviour will be performed, if intentions regarding this behaviour are strong.

While designing the research and conceptual model, we incorporated certain elements of The Theory of Reasoned Action – TRA (Ajzen & Fishbein, 1980) and the Theory of Planned Behaviour – TPB (Ajzen, 1991), which imply that "consumers' attitudes and assessments determine their behavioural intentions, and those intentions determine actual consumer behaviour". A similar approach has been used in numerous earlier studies (Zeugner-Roth et al., 2015). In line with the theoretical claims stated above, the third hypothesis of this research can be defined.

H3: Consumers' attitudes have a positive and statistically significant impact on consumers' intentions towards purchasing global brands.

3. Research methodology

Empirical survey was conducted with the purpose of testing previously established hypotheses. In the survey, the total number of 185 questionnaires was collected. The sample structure is such that the biggest percentage of respondents are women (52%), and members of the younger and middle generations, with high-school education (62.8%). The survey was conducted during May and June 2019 on the territory of the city of Kragujevac. The data were obtained by distributing the questionnaire personally, whereby the statements in the questionnaire were rated on a seven-point Likert scale (where 1 means - strongly disagree, 7- strongly agree) by the respondents.

The variables used were measured through statements that were taken from relevant scientific studies and adapted for the purposes of this research. The statements regarding the travel variable were taken from a study conducted by Cleveland and Laroche (2007). The statements regarding the variable brand presence in media activities were also taken from a study by Cleveland and Laroche (2007). Statements related to the variable of consumers' attitudes towards global brands have been taken and adapted from the studies by Sharma (2011), followed by Yoo and Donthu (2005), as well as Nijssen and Douglas (2004). The statements regarding the variable related to consumers' intentions were taken from the studies conducted by Sharma (2011) and Yoo and Donthu (2005).

Statistical processing and analysis of data were performed by using SPSS software package (21.0) and AMOS software (23.0). The confirmatory factor analysis was used for the measurement of the model validity, with adequate indexes. After this, the analysis of the impact of variables from the model on consumers' attitudes, and also the influence of attitudes on consumers' intentions concerning the purchase of global brands, was performed using the structural equation modelling (SEM). In this way, we performed the testing of the hypothesis. At the end of the analysis, the influence of control variables on the dependent variables in the research model was examined.

4. Results and discussion

The validity indicators for the research model are shown in Table 1. Having in mind that the value of the indicator $\chi2$ / df should be less than 3 (Bagozzi & Yi, 1988), it can be observed that this condition is met. The IFI, CFI and TLI index values should be above 0.9 (Byrne, 1998), so it can be concluded that the model meets these validity conditions as well. In the end, the recommended value of the RMSEA indicator is lower than 0.08 (Hair et al., 2006), which is also a condition met in the model.

Table 1: The validity indicators for the research model

Indicators	Research model
$\chi2$/df	1.625
IFI	0.946
TLI	0.933
CFI	0.945
RMSEA	0.072

Source: Author's research

Conducted confirmatory factor analysis, which is presented in Table 2, indicates that the values of the average variance extracted (AVE) for all analysed variables are above the 0.50, which is the recommended value in the literature (Fornell & Larcker, 1981). Therefore, the model meets the requirements for convergent validity. Furthermore, all variables in the research model have a higher value than the recommended level of 0.7 with regards to composite reliability (CR) values (Fornell & Larcker, 1981).

Apart from that, the analysis of the Cronbach's alpha coefficient revealed that variables in the model had adequate values, which are higher than the recommended value of 0.7 (Nunnally, 1978). In addition to the above-given results, it should be noted that the largest number of findings has very high values of factor loading (higher than 0.7), while for one statement, the value of factor loading exceeds 0.5, which is considered acceptable (Hair et al., 2006). Based on the values of the calculated squared correlations between the observed variables, and also on the values of the AVE for each variable, it is determined that the model meets the requirements for discriminant validity. More specifically, AVE value for every variable is higher than the squared values of the correlations between the given variable and other analysed variables in the model.

Table 2: The results of confirmatory factor analysis

Statements	**Factor loading**	**Cronbach`s α**	**AVE**	**CR**
Consumers' traveling		**0.737**	**0.527**	**0.813**
I prefer spending my vacation in a foreign country to spending it in my country.	0.625			
I have travelled a lot outside my country.	0.677			
Traveling and visiting foreign countries are some of my favourite activities.	0.913			
I often think about visiting foreign countries and about traveling in general.	0.651			
Media activities of global companies		**0.779**	**0.531**	**0.815**
Global brand ads are everywhere and they are very common.	0.698			

It is very common to see commercials for global brands in domestic media.	0.895			
There are a lot of ads for global brands in the newspapers and magazines I read.	0.723			
When I watch TV, it seems like there are many more commercials for global brands than for domestic ones.	0.561			
Attitudes towards purchasing global brands		**0.911**	**0.701**	**0.903**
Purchasing global brands is a good idea.	0.835			
Purchasing global brands is an attractive idea.	0.752			
Purchasing global brands is a wise idea.	0.904			
In my opinion, it is preferable to purchase global brands.	0.851			
Intentions regarding the purchase of global brands		**0.946**	**0.795**	**0.951**
I intend to purchase global brands in the near future.	0.912			
I am going to purchase global brands in the future.	0.927			
In the future, I intend to purchase global brands for most of my needs.	0.913			
I believe that my interest in purchasing global brands will increase in the future.	0.851			
I will strongly recommend purchasing global brands to other people.	0.851			

Source: Author's research

The SEM was applied to analyse the relationships in the established model. Based on the results presented in Table 3, it can be observed that all three hypotheses were accepted. Consumers' traveling has a statistically significant and positive impact on attitudes which consumers have towards purchasing global brands ($\beta = 0.421$, $p < 0.001$), thus confirming hypothesis H1. Also, the presence of brands in the media activities of companies ($\beta = 0.202$, $p < 0.05$) has a statistically significant and positive impact on attitudes which consumers have towards purchasing global brands, based on which the hypothesis H2 can be confirmed. It should be noted that consumers' travels have a much stronger impact on consumers' attitudes than the presence of brands in the media activities of global companies. Finally, consumers' attitudes have a very strong and positive influence on their intentions regarding the future purchase of global brands ($\beta = 0.801$, $p < 0.001$), thus confirming hypothesis H3.

Table 3: Testing the relationships between variables (SEM)

Hypothesis	Assessment	Conclusion
H1: Consumers' Traveling → Consumers' Attitudes towards buying Global Brands	0.421^{***}	Accepted
H2: Brand Presence in Media Activities → Consumers' Attitudes towards Buying Global Brands	0.202^{**}	Accepted
H3: Consumers' Attitudes towards Buying Global Brands → Intentions towards Buying Global Brands	0.801^{***}	Accepted

Control variables			
Gender → Consumers' attitudes	0.106[ns]	Gender → Consumers' intentions	0.109[**]
Age → Consumers' attitudes	0.024[ns]	Age → Consumers' intentions	0.124[***]
Education → Consumers' attitudes	-0.031[ns]	Education → Consumers' intentions	0.135[***]
Employment status → Consumers' attitudes	0.052[ns]	Employment status → Consumers' intentions	0.081[ns]

Note: *** - significant for $p<0.001$; ** - significant for $p<0.05$; ns - not significant
Source: Author's research

The obtained results indicate that gender, age and education, as control variables, have a positive influence on intentions which consumers have towards the purchase of global brands. Specifically, it has been found that female members, younger and middle-aged consumers, as well as consumers with higher levels of education (college education) have higher tendency to form intentions regarding the purchase of global brands. The control variables mentioned above do not have a statistically significant influence on attitudes which consumers have towards purchasing global brands.

5. Conclusion

The purpose of conducted empirical study was the analysis of the variables which have an impact on the attitudes and intentions of consumers towards global brands. More specifically, factors which are analysed in this study are consumers` traveling and media activities of global companies. Empirical research has shown that consumers' traveling and media activities of global companies have a statistically significant and positive impact on attitudes which consumers have towards purchasing global brands. Similar results have been obtained in previous studies (Alden et al., 2006; Cleveland & Laroche, 2007; Cleveland et al., 2016; Nijssen & Douglas, 2008; Nijssen & Douglas, 2011). In addition to that, consumers' attitudes have a very strong impact on their intentions for the future purchase of global brands, which justifies the use of the Theory of planned behaviour and the Theory of reasoned action as the theoretical basis for the research model. These results indicate that all three research hypotheses are confirmed. In addition to the previously mentioned results, the research concerning the influence of control variables revealed that female members, consumers of the younger and middle-aged groups, as well as consumers with higher levels of education have a higher tendency of forming intentions regarding the purchase of global brands.

The conducted research contributes to the scientific literature in the field of marketing and international brand management. Even though there are some papers in the field of global branding in the foreign scientific literature, in the domestic scientific literature the aforementioned area is relatively unexplored. Additionally, the results that we obtained can be very important for the management of marketing activities of domestic and international companies, especially when it comes to understanding the importance of the analysed factors for consumers' decision making regarding the purchase of global brands.

Such knowledge can be of particular importance to the tourism sector, because factors like media activities encourage the use of well-known and established hotels and restaurants brands, which are usually owned by global companies and operate on foreign markets through franchises (such as Hilton, Radisson, Starbucks, McDonald's, etc.). In fact, many hotels, restaurants and transport companies, especially international and global ones, use media campaigns as a means of influencing the attitudes and intentions of their consumers in different markets globally. Furthermore, consumers who enjoy traveling tend to be more familiar with such global, ubiquitous hotel and restaurant brands, which can lead to their use of the services of these brands. These consumers often choose recognizable international and global brands (such as McDonald`s, etc), due to their standardized service offerings and quality, widespread presence in many countries and consumers' familiarity with them. This implies that this segment of consumers is especially important for these types of companies and brands. Therefore, insights from this research can contribute to the creation of communication and customer relationship management strategies, as well as the market segmentation of companies.

Apart from this, the conducted research has some limitations. The basic limitation of the study is that other variables which may influence consumers' attitudes towards global brands, such as brand prestige, materialism, consumers' animosity, are not included in the research model. Future research may include analysing the influence of additional variables, such as brand prestige, quality, animosity, ethnocentrism, and other variables on consumers' attitudes and intentions regarding the purchase of global brands.

References

1. Ajzen, I. (1991). The theory of planned behavior. *Organizational Behavior and Human Decision Processes*, *50*(2), 179–211. https://doi.org/10.1016/0749-5978(91)90020-t
2. Ajzen, I., & Fishbein, M. (1980). *Understanding attitudes and predicting social behavior*. Englewood Cliffs, NJ: Prentice-Hall.
3. Alden, D. L., Steenkamp, J-B. E. M., & Batra, R. (1999). Brand positioning through advertising in Asia, North America, and Europe: The role of global consumer culture. *Journal of Marketing*, *63*(1), 75–87. https://doi.org/10.2307/1252002
4. Alden, L. D., Steenkamp, J-B. E. M., & Batra, R. (2006). Consumer attitudes toward marketplace globalization: structure, antecedents and consequences. *International Journal of Research in Marketing*, *23*(2), 227–239. https://doi.org/10.1016/j.ijresmar.2006.01.010
5. Anholt, S. (1999). Travel and tourism companies: Global brands. *Journal of Vacation Marketing*, *5*(3), 290–295. https://doi.org/10.1177/135676679900500308
6. Appadurai, A. (1990). Disjuncture and difference in the global cultural economy. *Theory, Culture & Society*, *7*(2), 295–310. https://doi.org/10.1177/026327690007002017
7. Appadurai, A. (1996). *Modernity at large: cultural dimensions of globalization*. Minneapolis, MI: University of Minnesota Press.
8. Atkinson, J. W. (1964). *An Introduction to Motivation*. Princeton, NJ: Van Nostrand.
9. Bagozzi, R. P., & Yi, Y. (1988). On the evaluation of structural equation model. *Journal of the Academy of Marketing Science*, *16*(1), 74–94. https://doi.org/10.1007/bf027
10. Baron, R. A. & Byrne, D. (1987). *Social psychology: Understanding human interaction* (5th ed.). Boston: Allyn & Bacon.
11. Beckmann, S., Botschen, G., Botschen, M., Douglas, S. P., Friese, S., & Nijssen, E. J. (2001). The worldminded consumer: An emic exploration. *Advances in Consumer Research*, *28*, 138.
12. Byrne, B. M. (1998). *Structural equation modeling with LISREL, PRELIS, and SIMPLIS: Basic concepts, applications, and programming*. Hillsdale, NJ: Lawrence Erlbaum.
13. Cleveland, M., & Laroche, M. (2007). Acculturaton to the global consumer culture: Scale development and research paradigm. *Journal of Business Research*, *60*(3), 249–259. https://doi.org/10.1016/j.jbusres.2006.11.006

14. Cleveland, M., Erdoğan, S., Arıkan, G., & Poyraz, T. (2011). Cosmopolitanism, individual-level values and cultural-level values: A cross-cultural study. *Journal of Business Research*, *64*, 934–943. https://doi.org/10.1016/j.jbusres.2010.11.015
15. Cleveland, M., Rojas-Mendez, J. I., Laroche, M., & Papadopoulos, N. (2016). Identity, culture, dispositions and behavior: A cross-national examination of globalization and culture change. *Journal of Business Research*, *69*(3), 1090–1102. https://doi.org/10.1016/j.jbusres.2015.08.025
16. Fishbein, M., & Ajzen, I. (1975). *Belief, attitude, intention and behavior: An introduction to theory and research*. Reading, Boston: Addison-Wesley.
17. Fornell, C., & Larcker, D. F. (1981). Evaluating structural equation models with unobservable variables and measurement error. *Journal of Marketing Research*, *18*(1), 39–50. https://doi.org/10.1177/002224378101800104
18. Hair, J. F., Black, W. C., Babin, B., Anderson, R., & Tatham, R. (2006). *Multivariate Data Analysis* (6th ed.). Upper Saddle River, NJ: Prentice Hall.
19. Hannerz, U. (1990). Cosmopolitans and Locals in World Culture. *Theory, Culture & Society*, *7*(2-3), 237–251. https://doi.org/10.1177/026327690007002014
20. Holt, D. B., Quelch, J. A., & Taylor, E. L. (2004). How global brands compete. *Harvard Business Review*, *82*(9), 68–75.
21. Keillor, B. D., D'Amico, M., & Horton, V. (2001). Global consumer tendencies. *Psychology and Marketing*, *18*(1), 1–19. https://doi.org/10.1002/1520-6793(200101)18:1<1::aid-mar1>3.0.co;2-u
22. Levitt, T. (1983). The globalization of markets. *Harvard Business Review*, *61*(3), 39–49.
23. Nijssen, E. J., & Douglas, S. P. (2004). Examining the animosity model in a country with a high level of foreign trade. *International Journal of Research in Marketing*, *21*(1), 23–38. http://doi.org/bt6rz3
24. Nijssen, E. J., & Douglas, S. P. (2008). Consumer world-mindedness, social-mindedness, and store image. *Journal of International Marketing*, *16*(3), 84–107. https://doi.org/10.1509/jimk.16.3.84
25. Nijssen, E. J., & Douglas, S. P. (2011). Consumer world-mindedness and attitudes toward product positioning in advertising: An examination of global versus foreign versus local positioning. *Journal of International Marketing*, *19*(3), 113–133. https://doi.org/10.1509/jimk.19.3.113
26. Nunnally, J. C. (1978). *Introduction to psychological measurement*, New York, NY: McGraw-Hill.
27. Özsomer, A. (2012). The interplay between global and local brands: A closer look at perceived brand globalness and local iconness. *Journal of International Marketing*, *20*(1), 72–95. https://doi.org/10.1509/jim.11.0105
28. Özsomer, A., & Altaras, S. (2008). Global brand purchase likelihood: A critical synthesis and an integrated conceptual framework. *Journal of International Marketing*, *16*(4), 1–28. https://doi.org/10.1509/jimk.16.4.1
29. Pavlek, Z. (2000). Globalne marke u turizmu i prehrambenoj industriji [Global brands in cases from tourism and food industry]. *Acta Turistica*, *12*(2), 173–197.
30. Peñaloza, L., & Gilly, M. C. (1999). Marketer acculturation: The changer and the changed. *Journal of Marketing*, *63*(3), 84–104. https://doi.org/10.1177/002224299906300306
31. Šapić, S., Filipović, J., & Dlačić, J. (2019). Consumption in fast-food restaurants in Croatia and Serbia. *British Food Journal*, *121*(8), 1715–1729. https://doi.org/10.1108/BFJ-04-2018-0264
32. Schuiling, I., & Kapferer, J-N. (2004). Executive insights: Real differences between local and international brands: Strategic implications for international marketers. *Journal of International Marketing*, *12*(4), 97–112. https://doi.org/10.1509/jimk.12.4.97.53217

33. Sharma, P. (2011). Country of origin effects in developed and emerging markets: Exploring the contrasting roles of materialism and value consciousness. *Journal of International Business Studies*, *42*(2), 285–306. https://doi.org/10.1057/jibs.2010.16
34. Steenkamp, J-B. E. M., Batra, R., & Alden, D. L. (2003). How perceived brand globalness creates brand value. *Journal of International Business Studies*, *34*(1), 53–65. https://doi.org/10.1057/palgrave.jibs.8400002
35. Vrkljan, S., & Bognar, Z. B. (2017). The model of key competitive factors of global chain hotels. *4th International Scientific Conference ToSEE - Tourism in Southern and Eastern Europe 2017 "Tourism and Creative Industries: Trends and Challenges" Opatija, Croatia, 4 - 6 May 2017*, 631–644.
36. Walker, C. (1996). Can TV save the planet?. *American Demographics*, (May 18), 42–49.
37. Wilk, R. (1998). Emulation, imitation, and global consumerism. *Organization and Environment*, *11*(3), 314–333. https://doi.org/10.1177/0921810698113003
38. Yip, G., & Hult, G. T. M. (2012). *Total global strategy* (3rd ed.). Boston, MA: Pearson.
39. Yoo, B., & Donthu, N. (2005). The effect of personal cultural orientation on consumer ethnocentrism. *Journal of International Consumer Marketing*, *18*(1-2), 7–44. https://doi.org/10.1300/j046v18n01_02
40. Zeugner-Roth, K. P., Žabkar, V., & Diamantopoulos, A. (2015). Consumer ethnocentrism, national identity, and consumer cosmopolitanism as drivers of consumer behavior: A social identity theory perspective. *Journal of International Marketing*, *23*(2), 25–54. https://doi.org/10.1509/jim.14.0038

Received: 14 February 2020; Sent for revision: 19 March 2020; Accepted: 9 April 2020

Original Scientific Paper

UDC: 366.622:077
338.488.2:640.4
doi: 10.5937/menhottur2001037R

What do hotel guests really want? An analysis of online reviews using text mining

Cvetanka Ristova Maglovska[1*]

[1] Goce Delčev University of Štip, Faculty of Tourism and Business Logistics, North Macedonia

Abstract: Hotels offer a range of attribute-based services perceived to be wanted and gladly used by guests while staying at the hotel. That is, hotels at least think they have recognized the attributes of importance to their guests. Whether there is a desire for high-quality Wi-Fi, touchscreen technology, RFID or even tablet-controlled hotel room to satisfy the digital-savvy guests or small fridge, microwave and tea for families, hotels today find themselves into a position where online reviews represent one of the most valuable tools for getting insights into the factors that determine guests' experiences. By scraping the online reviews of 21 five-star hotels in North Macedonia on Booking.com, this paper investigates the attributes that are affecting guests' experience by analyzing the sets of online reviews using text mining. Research findings offer a more consistent understanding of the guest experience expressed in online reviews in terms of determining which amenities enhance guest satisfaction. The paper also illustrates how the methodological approach of text mining enables the use and visual interpretation of the data, and thus contributes to the studies in the field of hotel management.

Keywords: guest, hotel, online reviews, text mining
JEL classification: L83, Z32

Šta gosti hotela stvarno žele? Analiza onlajn recenzije pomoću rudarenja teksta

Sažetak: Hoteli pružaju niz usluga zasnovanih na hotelskim atributima za koje pretpostavljaju da će ih gosti rado koristiti tokom boravka u hotelu. Odnosno, hoteli bar misle da su prepoznali atribute od značaja za njihove goste. Bez obzira na to da li postoji želja za visokokvalitetnom Wi-Fi tehnologijom, ekranom osetljivim na dodir, RFID ili hotelskom sobom koja je kontrolisana od strane tableta, ili pak za malim frižiderom, mikrotalasnom pećnicom i mogućnošću pripremanja čaja za porodicu, hoteli se danas nalaze u položaju gde onlajn recenzije predstavljaju jedan od najvrednijih alata za dobijanje uvida u faktore koji određuju iskustvo gostiju. Izdvajanjem onlajn recenzija 21 hotela sa pet zvezdica u Severnoj Makedoniji na Booking.com, ovaj rad istražuje atribute koji utiču na iskustvo gostiju analizirajući skupove onlajn pregleda primenom rudarenja teksta. Rezultati istraživanja nude dosledno razumevanje iskustva gosta izraženog u onlajn recenzijama u smislu utvrđivanja sadržaja koji povećavaju njegovo zadovoljstvo. Rad, takođe, prikazuje kako metodološki pristup rudarenje teksta omogućava korišćenje i vizuelno interpretiranje podataka, pa samim tim doprinosi studijama u oblasti hotelijerstva.

* cvetanka.ristova@ugd.edu.mk

Ključne reči: gost, hotel, onlajn recenzije, rudarenje teksta
JEL klasifikacija: L83, Z32

1. Introduction

Millions of guests are hosted by the hotel industry every day answering to all the expectations guests have when checking into the hotel. Hotels offer a range of attribute based services to their guests, but understanding what kind of services or attribute-based services align with the fulfillment of guests' expectations is the key to getting guests back, so it is not surprising that more and more hotels approach the use of advanced data analytics solution that will increase guest satisfaction (Shabani et al., 2017). The power of text mining has been proven in many industries, helping businesses save money, increase efficiency and make more informed decisions based on insightful activities. Because text mining helps raise the quality of service to a higher level, it is undoubtedly accepted by almost all sectors and businesses, and hospitality is no exception. Since the hotel industry is highly competitive (Jovanović, 2019), text mining finds its application following this fact. A key challenge for the hotel industry is that in an age of constant connectivity brought by digital technologies, guests have very high expectations and are increasingly looking for a personalized experience. It is actually the digital media that affects the modern lives of guests' (Vidaković & Vidaković, 2019), bringing them to a different pattern of consumption (Kuzmanović & Makajić-Nikolić, 2020) that craves for personalization i.e. specific desires for hotel attributes. If guests feel that they are not satisfied with the services that are offered, they always have many other options nearby. To maintain competitiveness and strengthen loyalty, hotels are taking certain steps such as using text mining, a helpful and valuable tool to analyze guests' expectations in order to increase the level of satisfaction. Due to the huge amount of data that guests create, text mining is the perfect partner for the hotel industry. Online reviews are considered as a form of data, representing a form of content created by the guests and shared on the digital platforms. So, when guests are happy, the Internet knows it. Similarly, when a guest is unhappy, hotels carry the burden of that resentment in their online reviews. But, by collecting and analyzing these data with text mining approach in real-time, hotels are offered an opportunity to enhance the guest experience through analyzing the attributes that cause it in the first place.

This research focuses on collecting the online reviews from the 21 five-star categorized hotels in North Macedonia at Booking.com and therefore present text mining as a tool that enables automatic scraping and extracting knowledge from unstructured text such as online reviews. The rationale for conducting this research is found in the effectiveness of text mining as a tool that has the ability to answer and deliver real-time decisions regarding the attributes that constitute the guests' experience from analyzing online reviews. The paper is structured as follows. First, the theoretical background discusses the existing literature on hotel attributes, guest-generated reviews on the Internet and text mining. Second, the research framework presents the usage of the text mining method with the details of stages of text analysis. Results and discussions are then elaborated through the document-term matrix, LDA and sentiment analysis from the online reviews. The paper concludes with a summary of the research findings, contribution, limitations and brief recommendations of text mining future usage in hotels operations.

2. Theoretical background

2.1. Guest experience and the importance of hotel attributes

While the basic desire of most guests at the hotel is the same - to have a place to sleep and keep their belongings - there are countless variations that exist above this basic need. Some guests want to make use of many different hotel facilities and offerings, whether it is enjoying the pool, enjoying the spa or using a well-stocked gym. Yet, some guests will want to use more services, besides a bed in the room to sleep at night and store their clothes and other belongings in a safe place.

One of the most frequently researched topics in hospitality probably is identifying the attributes that actually contribute to hotel selection, booking, experience quality, guests' satisfaction and loyalty. Whereas, in academic literature, researches have shown that what hotel guests often want usually depends on their own individual specific needs, guests' needs vary from hotel to hotel, from destination to destination (Milićević et al., 2020). Such is the case with Israeli hotels for disabled guests, where Poria et al.'s (2011) research found that while staying at the hotel, guests faced difficulties with physical surroundings and customer service and interactions. A study by Rhee and Yang (2015) using combined analysis to compare guests' expectations with their actual experience in luxury hotels showed that the hotel classification influences upon the priority of hotel attributes desired by guests. Authors' findings ranked "rooms" as the most important guests' attribute, opposite to "location" which was ranked among the least important attributes of guests' experience and satisfaction.

Guests' experience and satisfaction in the past used to be researched and explored with guest surveys, especially comment cards (Lockyer, 2005). Today, with the rapid growth of digitalization, applications, and technology, guests are empowered to provide two-way information communication in the hotel industry as Internet users, thereby creating a huge amount of guest-generated content (Sigala, 2008) which ultimately provides the hotels a new method of understanding guests' expectations and experience adequately. Of all guest-generated content, online reviews are the ones characterised as electronic variations of the traditional written form of WOM (Filieri & McLeay, 2014), therefore being one of the most prominent tools (Chatterjee, 2001) to assess guests' experiences in hospitality.

Hotel managers have already found that guest-generated reviews improve their ability for well-informed decision-making within their management activities resulting in upgrading performance, maximization of hotel profitability, and guest loyalty. Nowadays, guest-generated reviews are used by hotels to minimize flaws and mistakes in the hotels' products and services and use hotel means effectively. Of course, it is clear that all these advantages in hotel operation are initially provided by the expressed positive feelings, i.e. guest satisfaction in online reviews and the described attributes of hotel services, referring to the experience. Academic researchers, who confirm this, state that only positive guest-generated reviews create a quality eWOM that serves to increase hotel online bookings (Torres et al., 2015) through amplifying the reputation of the hotel (Ye et al., 2009) and the guests' reliability in the hotel (Kim et al., 2009). Per Kim et al.'s (2015) study, hotel revenue is significantly impacted by the number of online reviews, and according to Tuominen's (2011) research, a strong positive connection exists among the hotel room occupancy rate and revenue per available room (RevPAR) and the number of online reviews generated by guests.

Obviously, products and services must meet guests' expectations (Lakićević & Sagić, 2019), therefore online reviews can be a huge benefit for hotels, but everything depends on how well they are managed. The key takeaway here is evident, and that is to invest in the cultivation of online reviews, because only through that process, will hotels be able to achieve the peak of guests' experience and satisfaction and therefore contribute to the overall hotels' operations. In what follows, text mining is presented as that key point able to examine and extract valuable accurate information from online reviews, i.e. attributes that form the guests' experience, because it is needless to say that, better performance of hotel operation activities listed above comes from fulfilled guests' experience and satisfaction, which in this case is derived from the hotel attributes can be traced in the guest-generated review.

2.2. Capturing the real value of online reviews with text mining

The challenge of gaining insights into guest-generated reviews is to extract valuable information and patterns from relatively large, highly unstructured (often messy) (McAfee & Brynjolfsson, 2012) text data written in natural language (authorized by human / guests). Manual scanning and analysis of such data is considered impractical due to the high computational load. Like the content itself, guest-generated reviews on the Internet are of high volume, variety and velocity and because of that could be considered as big data. However, how many data can be called "big" remains unknown (Mohanty, 2015). Since the volume actually refers to the number of online reviews generated on the Internet for a hotel in a given period, Liu et al.'s (2017) study shows the usage of 412,784 reviews generated by guests at 10,149 hotels on TripAdvisor in five Chinese cities and gives us insight about how "big" data could be. The authors used the advantage of the guest-generated reviews, segregating them per language group in order to provide practical knowledge about the drive behind guest satisfaction. Their study found that international tourists, who wrote online reviews in other languages (the research covers reviews written in English, French, Italian, German, Spanish, Japanese and Russian), significantly differed in their focus on the roles of various hotel attributes ("rooms", "location", "cleanliness", "service" and "value") in creating their maximum satisfaction rating of the hotel stay. As compared to international tourists, Chinese tourists at home had different room preferences relative to the other hotel attributes. Significant influences in the study were found regarding the interaction of hotel attributes "rooms" and "service" and between "value" and "service", meaning that if guests view a hotel deal as a good value for money, the demands they put on the service would be decreased, with the opposite impact at the other end of the value continuum.

Because of the unstructured form of natural language text and volume of guest-generated reviews on the Internet, text analysis, more precisely text mining and sentiment analysis play an essential part in capturing the real value from data. Text mining and sentiment analysis are considered the most suitable for various types of unstructured data in text form, where the content is legible and the meaning is obvious in the variety of various Internet sources, like review sites, social networks, forums, blogs, and so on. The objective of text mining is to exploit valuable information easily from a variety of text documents (He et al., 2013; Liu et al., 2011). Text mining's field deals with converting unstructured data into structured datasets, while reducing time and effort, but most of all it reduces data dimensionality into more manageable, meaningful and relevant data. Text mining focuses on finding and extracting hidden patterns, directions and connections, models, trends from unstructured data documents (He et al., 2015a; 2015b).

Recently, the approach of text mining on unstructured features of guest-generated reviews on the Internet, like text context, has been receiving growing academic attention (Goh et al., 2013). Actually, the research using text mining in hospitality is relatively recent. In hospitality, text mining frequently focuses on some common words listed in the online reviews, namely: location, room size, staff, breakfast, comfort, temperature, cleanliness and maintenance (Nickolas & Lee, 2017; O'Connor, 2010). For example, by analyzing and comparing 2,510 online reviews generated, Berezina et al. (2016) used text mining approach to investigate the basics of guests' satisfaction and dissatisfaction at a hotel. Authors' research further has found that satisfied guests who respond more frequently to the intangible elements as "staff" are more likely to recommend hotels to others than dissatisfied guests. Contrarily, dissatisfied guests rely more on tangible elements as "furniture" and "finances" during the hotel stay. In Barreda and Bilgihan's (2013) study of 17,357 guest-generated reviews from TripAdvisor.com it was found that "bedroom" and "bathroom" services, "location", "standards of service" and "cleanliness" were important issues for guests.

Since the Internet has brought information explosion of unstructured data, sentiment analysis (commonly known as opinion mining) has also become special application of text mining. Pang and Lee (2008) describe sentiment analysis as a computational systematic exploration and study of beliefs, emotions, thoughts, attitudes and subjectivity in a text. Further than this, sentiment analysis is considered to be a method for retrieving information and classifying data into subjective categories (positive, negative or neutral) or calculate the intensity of feelings (Pang & Lee, 2008; Thelwall et al., 2010). In academic research, Duan et al. (2013) operated the technique of sentiment analysis to extract 70,103 guest-generated reviews on the Internet from 1999-2011 of 86 hotels in Washington, while Geetha et al. (2017) concentrated on the sentiment orientation of guest-generated reviews on the Internet and found it had affected guest ratings. He et al. (2017) performed text mining, natural language preprocessing to clean the text documents and sentiment analysis for guest-generated reviews on the Internet and found that sentiment results from the title and content of guest-generated reviews were highly correlated with overall guests' ratings for hotels. The study of Qu et al. (2008) also suggests that most sentiment feelings derived from text reviews were significantly associated with overall guest assessment.

The above-mentioned research studies show how successful results and good outcomes from guest-generated reviews may come by leveraging text mining and sentiment analysis. The established relation between text analysis and guest-generated reviews in these studies further verifies that only by engaging this approach, hotel attributes mentioned in real-time online reviews that maximize the guests' experience can be determined.

3. Materials and methods

To obtain adequate and proper data, online reviews were collected from one of the biggest travel metasearch engines for reservation, Booking.com. Booking's reviews have been listed as more trustworthy because only guests that have previously booked through Booking.com can write a review, which eliminates the appearance of fake reviews. For the data to be compiled, Python web crawling was chosen, where Scrapy was used as a web crawler framework. As a research sample only five-star categorized hotels in North Macedonia were targeted at Booking.com, in order to understand what attributes cause guests' experience and satisfaction in luxury hotels. The crawler scraped 2,801 online reviews from 21 hotels on Booking.com from 8 cities in North Macedonia. As Kozinets (2010) states, there was now need for ethical clearance the "download of existing posts does not strictly qualify as human subjects research" (p. 151). Consent is only needed where there is contact or interference (Hookway, 2008).

For further analysis, the data was inputted into the R program. After the cleaning of non-English reviews, the data set was left with 2,222 online reviews written in the English language. Later, R program tools were used to process the data, and remove all stop words, punctuation marks and set all reviews into lowercase. Once the coding process was done, reviews were divided into words, resulting in 3,200 different words. When the word frequency was listed, a lot of adjective words were listed in the data, such as "wonderful", "amazing", "perfect" and others. Because this paper is focused on mining the attributes in the online reviews, some of these adjective words were removed, but some were left as "helpful" because they give us a closer look on how the attributes evoke the experience. Some other forms of linguistic entity were encoded in R into a "rudimentary" form reflecting the same significance. For example, for the word "restaurant", several forms as "restaurant", "restorant", "restoraunt" and "resturants" were noted and changed. Other unnecessary words include "look", "observation", "say", "round" and many others. This resulted with the extraction of 365 different words, connected to the guest experience.

4. Results and discussion

When all reviews and words were processed by R, the frequency of the words was calculated. This coding process was performed iteratively from high-frequency words to low-frequency ones. Table 1 displays the data from high-frequency to low-frequency words that were selected for statistical analysis with frequency of more than >30 words. Table 1 lists 70 relevant words associated to the guests' experience, used to describe the satisfaction rate alongside their total frequency. These words represent a broad variety of hotel and hotel stay related attributes relevant to the experience of hotel guests.

Table 1: Document frequency term-matrix of 70 words in online reviews

Word	Frequency	Percentage	Word	Frequency	Percentage
room	650	6.64%	price	63	0.64%
hotel	513	5.24%	bar	62	0.63%
staff	430	4.39%	children	51	0.52%
breakfast	398	4.07%	day	51	0.52%
location	331	3.38%	coffee	49	0.50%
pool	248	2.53%	cold	49	0.50%
clean	233	2.38%	lake	47	0.48%
spa	206	2.10%	reception	47	0.48%
bathroom	192	1.96%	expectation	46	0.47%
comfortable	187	1.91%	recommendation	46	0.47%
center	176	1.80%	booking	45	0.46%
restaurant	171	1.75%	roofbar	45	0.46%
friendly	159	1.62%	check-in	44	0.45%
service	150	1.53%	floor	43	0.44%
food	149	1.52%	free	43	0.44%
helpful	124	1.27%	polite	43	0.44%
view	116	1.18%	dining	42	0.43%
bed	109	1.11%	sauna	42	0.43%
wellness	91	0.93%	bad	41	0.42%
place	90	0.92%	hot	38	0.39%
facilities	88	0.90%	money	38	0.39%
guests	88	0.90%	noise	38	0.39%
parking	84	0.86%	superior	38	0.39%
shower	84	0.86%	warm	36	0.37%
old	82	0.84%	door	36	0.37%
onebedroom	81	0.83%	delicious	35	0.36%
time	81	0.83%	disgusting	34	0.35%
area	79	0.81%	relax	33	0.34%
swimsuit	78	0.80%	quality	33	0.34%
quiet	74	0.76%	balcony	32	0.34%
renovation	74	0.76%	broken	32	0.33%
fitness	71	0.74%	lights	32	0.33%
star	69	0.70%	air-condition	31	0.33%
spacious	68	0.69%	holiday	31	0.32%
night	63	0.64%	smell	31	0.64%

Source: Author's research

The frequency of these 70 words indicates that the first 18 words represent approximately half (46.39%), while the rest of the words account for less than 30%, (28.23%) of the total frequency of all words. As Ko (2018) states, the distribution can be described as one of the words with a fairly high frequency named as the "head" and words with low frequency (accurately in this research sample with an average percentage of less than 1 per word beginning from the 19th word) named "long tail". "Head" words, concentrate on basic products and services, as well as essential attributes, such as "room", "bed", "bathroom", "staff", "breakfast", "food", "service", "cleanliness", "location", "pool", "spa", "friendliness" and so on. The words from the "long tail" show the guests' other essential areas - the experience. Some of these words are practical and factual in nature, although others are guests' personalized evaluation of their stay in the hotel.

Afterwards, topic modelling was used trying to find similar topics across the guest-generated reviews on the Internet, and trying to group different words together, such that each topic will consist of words with similar meanings. The summary included in this paper was Latent Dirichlet Allocation (LDA) analysis with Gibbs sampling in R. LDA transforms each review into a vector of weights representing the intensity of each topic in the review, where a topic is a distribution of probabilities over the set of words used in the database reviews. This probabilistic model assigns the word a probability score of the most probable topic that it could be potentially belong to. Using these probabilities, twenty most likely words were ranged in each topic in order of how likely it was that each word belongs to that topic as shown is Table 2.

Table 2: Classifying words to a particular topic using LDA topic modelling

Services	**Perception**	**Location**	**Value**	**Hybrid**
room	breakfast	building	restaurant	minibar
staff	roofbar	area	food	loud
breakfast	dining	spacious	view	renovation
bathroom	disgusting	apartment	time	delicious
restaurant	standards	new	amenities	air-condition
pool	dishes	nature	business	smell
spa	experience	walls	complementary	pleasant
facilities	tasteful	mountain	hospitality	furniture
price	cheap	trees	assistance	supermarket
reception	bread	motorcycle	categorization	luxury
recommendation	rich	monastery	room	local
free	healthy	horse	hotel	ambience
car	chocolate	mosquito	staff	vegetables
lobby	salad	room	location	connection
taxi	steak	hotel	service	suite
size	traditional	center	place	garden
sheets	omelet	view	facilities	complain
skybar	ham	place	price	payment
conference	cocoa	parking	free	attractions
netflix	staff	lake	booking	dust

Source: Author's research

The words are in ascending order of phi-value. The higher the ranking, the more probable the word will belong to the topic. While performing LDA in R all 365 words were used in the analysis, in order to get a wider range of words. Topics were named according to the representation of words. Typical words for the five topics are:

1. Topic 1 (Services) – Usually associated words with the hotel's facilities include: "room", "breakfast", "bathroom", "pool" and "spa".
2. Topic 2 (Perception) – Perception words connected to the guests' stay include: "disgusting", "dishes", "cheap", "traditional" and "staff".
3. Topic 3 (Location) – Words associated with the location of the hotels include: "building", "area", "new", "nature", "center", "view" and "place".
4. Topic 4 (Value) – Words associated with guests' perceived value or money in the hotel include: "food", "time", "free", "complementary", "price" and "expectation".
5. Topic 5 (Hybrid) – Words that appear to consist two distinctive groups of words reflecting the very different experiences of hotel guests include: "vegetables", "supermarket", "delicious", "smell", "pleasant", "local", "luxury" and "dust".

Using NRC in R for sentiment analysis is immensely helpful when it comes to analyzing a text. In other terms, the polarity of the sentiment articulated within the spectrum that ranges from positive to negative is extracted and shown in Table 3.

Table 3: Sentiment analysis of hotel online reviews

Min.	1st Qu.	Median	Mean	3rd Qu.	Max.
-4.5000	0.0000	0.5000	0.6868	1.2000	6.6000

Source: Author's research

Our sentiment analysis has found that reviews tend to have slightly more positive content than negative content, but there are some extreme outliers with negative sentiment being -4.5, whereas positive sentiment was +6.6. As we see, these are quite far away from the mean and the median.

Figure 1: Boxplot of sentiment analysis of hotel online reviews

Source: Author's research

As a graphical representation of sentiment analysis, boxplot is used to visually show the distribution of numerical data and skewness through displaying the data. Seeing in Figure 1 that the median is +0.5, only a slight part of the online reviews tends to be positive. Since a strong outlier is showed in both positive in negative sentiment, examples of the reviews with Syuzhet method in R will be shown in Table 4 to figure out which the most positive and negative review was and the whole paragraph.

Table 4: Examples of reviews with the highest and lowest sentiment

Sentiment	Review
-4.5000	The room was totally in a bad condition the furniture was a horrible, floor and the walls were full of dust, the jacuzzi in the room was broken and in a very bad and dirty condition. It was an improvisation of jacuzzi unfortunately.
6.6000	Beautiful hotel, beautifully decorated room, clean, excellent spa, super service at a high level, great choice of dining in the restaurant and finally an excellent choice for the end of the day in the roofbar on 5th floor.

Source: Author's research

Given the statistics, guests' experience as seen in this research is, undoubtedly, an extraordinarily complex construct. In general, guests use the same attributes associated with hotel stays to assess their experience, although only the order of priority of those attributes may vary. The document-term matrix and topic modeling, identify the guest experience by representing which attributes guests consider as significant, important and contribute to their experience and satisfaction in a particular hotel. Therefore, these lists of words represent a "discreet" and "direct" presentation of the guest experience.

According to the research, guests' rank their experience as satisfactory or dissatisfactory in an online review from various perspectives. Guests complain most about dirty and outdated rooms, where the words "renovation", "old", "dirty" appear. However, data also noted, that guests were pleased with their hotel experiences for a variety of reasons, delicious food, friendly staff and location of the hotel in nature, mountains or even more particular they could be satisfied from products with rich, traditional attributes or dissatisfactory from products with disgusting attributes.

5. Conclusion

In these times, it is common for hotel guests to review a product or service online. In the online reviews, guests leave text content to publicly express their own personal thoughts and feelings, and briefly reveal their opinion about the hotel attributes. Critically, hotels are presented with a viable approach of the widespread applications of text analysis as text mining and sentiment analysis, allowing hotels to extract vast volume of accumulated text, and thus enabling them to effectively study and analyze the hotel attributes that form guests' experience. The research outcome shows that guests are prone to share even the tiniest detail of the hotel attribute and how it affected their experience in an online review. As expected, attributes as "room", "staff", "breakfast", "location", "bathroom", "restaurant" come among the top, but then again attributes as "shower", "balcony", "door" and "floor" appear, giving us more wide insight besides the already expected attributes mentioned above. Related attributes to the guests' stay at the hotel that also matter have been presented, where the findings reveal "friendly", "quiet", "polite", "delicious" and "disgusting" are important to the guests' experience.

In sum, the theoretical and practical implications of using text mining for scraping guest-generated reviews on the Internet are tremendously significant. Without text mining in hospitality, valuable guest information can be lost or ignored, which is a major shortcoming for a predominantly guest-oriented industry. Also, text mining can be used as a tool to create vast profiles of information about guests, emphasizing the most important practical implication; enabling the hotel to deliver and create personalization or personalized experience.

Several limitations can be found in this paper. First, in this research sample, the document-term matrix presents a variety of hotel and hotel stay related attributes, where in future researches it is recommended to narrow them for better determination of the hotel attributes that contribute to the guests' experience. Second, LDA topic modeling shows some overlapping words, where again in future researches a small set of words might be used that would result in overlapping between topics. Lastly, NRC in R offers a possibility to further explore the sentiment in online reviews, beside positive and negative, but in another 8 emotion type, which by analyzing, can provide even better insights for hotels, like what attributes made guests feel joy, trust or anger, disgust.

Acknowledgment

The research work by Ristova Maglovska, C. for this paper was done during an Erasmus+ Traineeship from February 1st, 2020 to May 1st, 2020 at the University of Kragujevac, Faculty of Hotel Management and Tourism in Vrnjačka Banja under the mentorship of assoc. prof. Darko Dimitrovski.

References

1. Barreda, A., & Bilgihan, A. (2013). An analysis of user generated content for hotel experiences. *Journal of Hospitality and Tourism Technology*, *4*(3), 263–280. https://doi.org/10.1108/JHTT-01-2013-0001
2. Berezina, K., Bilgihan, A., Cobanoglu, C., & Okumus, F. (2016). Understanding satisfied and dissatisfied hotel customers: Text mining of online hotel reviews. *Journal of Hospitality Marketing & Management*, *25*(1), 1–24. https://doi.org/10.1080/19368623.2015.983631
3. Chatterjee, P. (2001). Online reviews: Do consumers use them? Online reviews: Do Consumers use them? *Advances in Consumer Research*, *28*, 129–133.
4. Duan, W., Cao, Q., Yu, Y., & Levy, S. (2013). Mining online user-generated content: Using sentiment analysis technique to study hotel service quality. *46th Hawaii International Conference on In System Sciences (HICSS)* (pp. 3119–3128). Maui, Hawaii. https://doi.org/10.1109/HICSS.2013.400
5. Filieri, R., & McLeay, F. (2014). E-WOM and accommodation: An analysis of the factors that influence travelers’ adoption of information from online reviews. *Journal of Travel Research*, *53*(1), 44–57. https://doi.org/10.1177/0047287513481274
6. Geetha, M., Singha, P., & Sinha, S. (2017). Relationship between customer sentiment and online customer ratings for hotels-An empirical analysis. *Tourism Management*, *61*, 43–54. https://doi.org/10.1016/j.tourman.2016.12.022
7. Goh, K. Y., Heng, C. S., & Lin, Z. (2013). Social media brand community and consumer behavior: Quantifying the relative impact of user-and marketer-generated content. *Information Systems Research*, *24*(1), 88–107. https://doi.org/10.1287/isre.1120.0469
8. He, W., Tian, X., Tao, R., Zhang, W., Yan, G., & Akula, V. (2017). Application of social media analytics: A case of analyzing online hotel reviews. *Online Information Review*, *41*(7), 921–935. https://doi.org/10.1108/OIR-07-2016-0201
9. He, W., Tian, X., & Shen, J. (2015a). Examining Security Risks of Mobile Banking Applications through Blog Mining. *MAICS* (pp. 103-108). Greensboro, NC, USA: University of Dayton.

10. He, W., Wu, H., & Yan, G., & Akula, V., & Shen, J. (2015b). A novel social media competitive analytics framework with sentiment benchmarks. *Information & Management*, *52*(7), 801–812. https://doi.org/10.1016/j.im.2015.04.006
11. He, W., Zha, S., & Li, L. (2013). Social media competitive analysis and text mining: A case study in the pizza industry. *International Journal of Information Management*, *33*(3), 464–472. https://doi.org/10.1016/j.ijinfomgt.2013.01.001
12. Hookway, N. (2008). Entering the blogosphere': Some strategies for using blogs in social research. *Qualitative Research*, *8*(1), 91–113. https://doi.org/10.1177/1468794107085298
13. Jovanović, S. (2019). Green hotels as a new trend in the function of sustainable development and competitiveness improvement. *Economics of Sustainable Development*, *3*(1), 1–7.
14. Kim, D. J., Ferrin, D. L., & Rao, H. R. (2009). Trust and satisfaction, two stepping stones for successful E-commerce relationships: A longitudinal exploration. *Information Systems Research*, *20*(2), 237–257.
15. Kim, W. G., Lim, H., & Brymer, R. A. (2015). The effectiveness of managing social media on hotel performance. *International Journal of Hospitality Management*, *44*, 165–171. https://doi.org/10.1016/j.ijhm.2014.10.014
16. Ko, H. C. (2018). Exploring big data applied in the hotel guest experience. *Open Access Library Journal*, *5*(10), e4877. https://doi.org/10.4236/oalib.1104877
17. Kozinets, R. V. (2010). *Netnography: Doing Ethnographic Research Online*. London, United Kingdom: Sage.
18. Kuzmanović, M., & Makajić-Nikolić, D. (2020). Heterogeneity of Serbian consumers' preferences for local wines: Discrete choice analysis. *Economics of Agriculture*, *67*(1), 37–54. https://doi.org/10.5937/ekoPolj2001037K
19. Lakićević, M., & Sagić, Z. (2019). Accommodation capacities and their utilization in the function of tourism development: Case of Ivanjica. *Ekonomika*, *65*(3), 77–88. https://doi.org/10.5937/ekonomika1903077L
20. Liu, B., Cao, S., & He, W. (2011). Distributed data mining for e-business. *Information Technology and Management*, *12*, 67–79. https://doi.org/10.1007/s10799-011-0091-8
21. Liu, Y., Teichert, T., Rossi, M., Li, H., & Hu, F. (2017). Big data for big insights: Investigating language-specific drivers of hotel satisfaction with 412,784 user-generated reviews. *Tourism Management*, *59*, 554–563. https://doi.org/10.1016/j.tourman.2016.08.012
22. Lockyer, T. (2005). The perceived importance of price as one hotel selection dimension. *Tourism Management*, *26*, 529–537. https://doi.org/10.1016/j.tourman.2004.03.009
23. McAfee, A., & Brynjolfsson, E. (2012). Big data: The Management revolution. *Harvard Business Review*. Retrieved April 6, 2020 from https://hbr.org/2012/10/big-data-the-management-revolution.
24. Milićević, S., Đorđević, N., & Krejić, Z. (2020). Research on tourists' attitudes on the potential of Goč mountain for the development of eco-tourism. *Economics of Agriculture*, *67*(1), 223–238. https://doi.org/10.5937/ekoPolj2001223M
25. Mohanty, H. (2015). *Big data: An introduction. In Big Data: A Primer*. New Delhi, India: Springer.
26. Nicholas, W. C. K., & Lee, H. S. A. (2017). Voice of customers: Text analysis of hotel customer reviews (cleanliness, overall environment & value for money). *International Conference on Big Data Research* (pp. 104-111). Osaka, Japan: Association for Computing Machinery.
27. O'Connor, P. (2010). Managing a hotel's image on TripAdvisor. *Journal of Hospitality Marketing & Management*, *19*(7), 754–772. https://doi.org/10.1080/19368623.2010.508007

28. Pang, B., & Lee, L. (2008). Opinion mining and sentiment analysis. *Foundations and Trends in Information Retrieval*, *2*(1–2), 1–135. https://doi.org/10.1561/1500000011
29. Poria, Y., Reichel, A., & Brandt, Y. (2011). Dimensions of hotel experience of people with disabilities: an exploratory study. *International Journal of Contemporary Hospitality*, *23*(5), 571–591. https://doi.org/10.1108/09596111111143340
30. Qu, Z., Zhang, H., & Li, H. (2008). Determinants of online merchant rating: Content analysis of consumer comments about Yahoo merchants. *Decision Support Systems*, *46*(1), 440–449. https://doi.org/10.1016/j.dss.2008.08.004
31. Rhee, H. T., & Yang, S. B. (2015). Does hotel attribute importance differ by hotel? Focusing on hotel star-classifications and customers' overall ratings. *Computers in Human Behavior*, *50*, 576–587. https://doi.org/10.1016/j.chb.2015.02.069
32. Shabani, N., Munir, A., & Bose, A. (2017). Analysis of big data maturity stage in hospitality industry. Retrieved April 6, 2020 from https://arxiv.org/ftp/arxiv/papers/1709/1709.07387.pdf
33. Sigala, M. (2008). Web 2.0, social marketing strategies and distribution channels for city destinations: Enhancing the participatory role of travellers and exploiting their collective intelligence. In M. Gascó-Hernández, T. Torres-Coronas (Eds.), *Information communication technologies and city marketing: digital opportunities for cities around the world* (pp. 221-245). IDEA Publishing.
34. Thelwall, M., Buckley, K., & Paltoglou, G. (2010). Sentiment in Twitter events. *Journal of the American Society for Information Science and Technology*, *62*(2), 406–418. https://doi.org/10.1002/asi.21462
35. Torres, E. N., Singh, D., & Robertson-Ring, A. (2015). Consumer reviews and the creation of booking transaction value: Lessons from the hotel industry. *International Journal of Hospitality Management*, *50*, 77–83. https://doi.org/10.1016/j.ijhm.2015.07.012
36. Tuominen, P. (2011). The influence of TripAdvisor consumer-generated travel reviews on hotel performance. *19th Annual Frontiers in Service Conference* (pp. 1–11). Columbus, Ohio, USA: University of Hertfordshire Business.
37. Vidaković, M., & Vidaković, D. (2019). Digital media, creativity, and marketing, within the scope of the contemporary instant culture. *The Annals of the Faculty of Economics in Subotica*, *41*, 131–144. https://doi.org/10.5937/AnEkSub1941131V
38. Ye, Q., Law, R., & Gu, B. (2009). The impact of online user reviews on hotel room sales. *International Journal of Hospitality Management*, *28*, 180–182. https://doi.org/10.1016/j.ijhm.2008.06.011

Received: 13 April 2020; Sent for revision: 16 April 2020; Accepted: 4 May 2020

Original Scientific Paper
UDC: 338.486.2:659.1
doi: 10.5937/menhottur2001049T

A multidimensional approach to the analysis of perceived value in tourism

Snežana Topalović[1*], Veljko Marinković[1]

[1] University of Kragujevac, Faculty of Economics, Kragujevac, Serbia

Abstract: The key to achieving business goals is based on both understanding and comprehending how consumers perceive a service offering and exploring the elements that determine customer satisfaction and loyalty. Modern tourism enterprises should focus on creating and delivering value to their consumers as a significant source of competitive advantage. The aim of this paper is to identify the dimensions of the service offer values of the travel agencies in which there are significant differences in the ratings of the female and male respondents. To meet the research objectives, a *t*-test for two independent samples was used. Field research was conducted and primary data were collected by the survey method. This paper seeks to show that value for service users is a complex and multidimensional concept. Tourism services can be better perceived and understood if they are analysed through a multidimensional approach to value, as users of tourism services can at the same time experience and enjoy functional, social, emotional and other factors. The paper presents different approaches to the analysis of perceived value that are present in the world marketing literature and which form the basis for conception of future research.

Keywords: perceived value, value dimensions, multidimensional model, tourism companies, customer satisfaction
JEL klasifikacija: L22, L83, Z31

Višedimenzionalni pristup analizi percipirane vrednosti u turizmu

Sažetak: Ključ za ostvarenje poslovnih ciljeva bazira se na shvatanju i razumevanju načina kako potrošači percipiraju uslužnu ponudu i na istraživanju elemenata koji determinišu satisfakciju i lojalnost korisnika usluga. Savremena turistička preduzeća moraju se fokusirati na stvaranje i isporuku vrednosti za svoje korisnike usluga kao značajnom izvoru konkurentske prednosti. Cilj rada je identifikacija dimenzija vrednosti uslužne ponude turističkih agencija kod kojih se javljaju značajne razlike u ocenama ispitanika ženskog i muškog pola. Da bi se ispunili ciljevi istraživanja, korišćen je t-test za dva nezavisna uzorka. Sprovedeno je terensko istraživanje i primarni podaci su prikupljeni metodom ankete. Ovaj rad nastoji da ukaže da je vrednost za korisnike usluga složen i višedimenzionalan koncept. Turističke usluge se mogu bolje shvatiti i razumeti ako se analiziraju kroz višedimenzionalan pristup vrednosti, jer korisnici turističkih usluga mogu u isto vreme doživeti i uživati u funkcionalnim, društvenim, emotivnim i drugim faktorima. U radu su prikazani različiti pristupi analizi percipirane vrednosti koji su prisutni u svetskoj marketing literaturi i koji predstavljaju osnovu za koncipiranje budućih istraživanja.

* topalovicsneza@gmail.com

Ključne reči: percipirana vrednost, dimenzije vrednosti, višedimenzionalni model, turistička preduzeća, satisfakcija korisnika
JEL klasifikacija: L22, L83, Z31

1. Introduction

Tourism as a service industry requires understanding the needs, attitudes, expectations and preferences of service users in order to create a tourist offer better than competitors, as a starting point for a successful marketing concept. From the aspect of tourism sector development, enterprises should strive to ensure the quality level of tourism services as a whole, as this is the only way to meet the needs and expectations of users and achieve positive business performance of enterprises in meeting tourism needs (Ambroso, 2001, p. 30).

The basis of marketing business orientation is based on providing services in accordance with the users' needs and attitudes. Over time, competition directs the organization to provide a higher degree of customer orientation. Consumer orientation is a way of doing business, with activities and business decision making focusing on value for consumers and their satisfaction (Barry & Eric, 2012, p. 9). Consumers need to be at the centre of marketing research, because this is the only way to achieve mutual satisfaction (for the consumer and the company). Tourism companies must treat consumers as direct partners. The level of efficiency that will be achieved through the implementation of consumer marketing depends on the extent to which the service organization will research and identify the needs and expectations of the target group of consumers, define and ultimately implement the marketing strategy of attracting and retaining consumers. The main objective of conducting all marketing activities in tourism is to provide the expected value to consumers and make a profit in the long run. By creating adequate value for customers, tourism companies create satisfied and loyal consumers, who represent one of the outputs of successful marketing application.

It used to be understood that value is measured by utility for consumers. It is emphasized today that value represents consumers' perceptions of what they receive and what they give (benefits and sacrifices). In recent years, many research papers have viewed value for consumers as a multidimensional concept that incorporates more elements of benefit and sacrifice. The aim of this paper is to point out the various multidimensional models of perceived value that are present in the world literature in the field of tourism.

In order to identify statistically significant differences in the estimation of the values of travel agency services between women and men, a survey was conducted on a sample of 149 respondents. Primary data were collected through a survey method, and t-test was used in the data analysis for two independent samples. The significance of the research is reflected in identifying the dimensions of values of travel agency services, which are the drivers of satisfaction and loyalty of their users. These are dimensions that relate to the functionality, economic, emotional and social component of the values of tourist services.

2. The perceived value concept and the specifics of the concept

There is no one commonly accepted definition of perceived value in the contemporary literature. The reason lies in the fact that value as a term is a subjective category, determined by consumers and specific to each individual. A number of authors share the opinion that value to the consumer is the consumer's subjective assessment of the benefits and costs incurred in purchasing and/or using the products and services (Keränen & Jalkala, 2013; Lindgreen & Wynstra, 2005; Woodruff, 1997). The authors Tan and Xu (2015) define consumer value as an overall assessment of the utility of a product or service, after the consumer has paid for and purchased the product or service. One of the most accurate and commonly used definitions of value for consumers is the definition given by Holbrook (1999) and by this definition, value for consumers is the difference between the benefits a consumer obtains by buying and using products and services, and the sacrifices related to the investments during the purchasing and use.

When looking at the tourism sector, Sanchez et al. (2006, p. 396) refer to the perceived experience of buying and consuming tourism services as a consumer value. Value for users of tourism services is a function of three elements (Voss et al., 2008, p. 249):

$$\mathbf{Vt = \mathit{f}\ ((\textstyle\sum S, Ef)/Rc)}$$

where:

Vt – is the value for users of tourism services
∑S – a set of different services
Ef – experiential factor
Rc – sacrifices

The set of different services **(∑S)** as an element of the value function for tourists plays an essential role in value creation. During the travel, tourists have at their disposal a number of different services that they can consume (transportation, accommodation, food, drinks, gym, swimming pool, massages, sports fields, etc.) affecting directly proportional to the value created for the tourists. The experiential factor (**Ef**) as part of the value for the users of tourist services is considered as the most important element of value created and delivered. Tourism experience is central to the value creation process for service users. It represents the hedonistic value that arises as a result of emotional satisfaction in the process of using tourist services. Sacrifices (**Rc**) as a third element of value for users of tourism services include the financial investment, physical and mental effort necessary to purchase products or services, as well as to gather information to make a travel decision, and various types of risk when making a decision (psychological, economic, social).

The multidimensional model starts from the realization that perceived value is a complex concept formed by a number of interrelated dimensions. A number of authors point out that the perceived benefit should be viewed as a combination of physical characteristics, service characteristics, technical support, competence, experience and social benefits (Bolton & Drew, 1991; Walter, 2006).

During the 1990s, the formulation of the concept of value for consumers took on a *utilitarian* and *hedonic dimension* (Babin et al., 1994). *The utilitarian value* is the value derived from a product and/or service that helps the consumer accomplish a task, while *the hedonic value* is an instant gratification that results from performing an activity (Barry & Eric, 2012, p. 28). By using a product and/or service, consumers seek not only to meet functional needs, but also to meet hedonic needs. Every consumer strives to enjoy and feel comfortable and satisfied during and after consuming a product/service. The aesthetic characteristics of the product play a major role in creating hedonic value (Maričić & Đorđević, 2012, p. 23). The hedonic dimension of value is of utmost importance when consuming services. In the service sector, due to the intangibility of services, consumers can only have a pleasant or unpleasant experience during and after using the services.

The authors Babin and Kim (2001) introduced a specific multidimensional conception of value based on the utilitarian and hedonic dimensions in the tourism literature. Tourists use transportation, lodging, food and drink and other services to meet their needs. Likewise, tourists want and expect to feel comfortable while using transportation, food and drink, lodging, exploring cultural and historical monuments, new places, etc. The best experiences are for the consumer when both high utilitarian and high hedonic value are provided. The study of the utilitarian and hedonic dimension of value provided the basis for further exploration of the multidimensional nature of the concept of value for consumers.

Holbook's typology of value for consumers is the approach that has contributed most to the study and interpretation of the concept and nature of value for consumers and to understanding the process of its creation. Holbrook's (1999) typology of value to consumers is based on three dichotomies: extrinsic versus intrinsic value; personally oriented value versus value oriented towards others; active versus reactive value, the combination of which highlights eight different dimensions of value: *Efficiency* - Assessment of Functional Benefits for Investment; *Superiority* - Product Quality; *Status* - Product Impact on Status; *Affiliation* - Features Indicating Membership in a Social Group; *Play* - a sense of fun and enjoyment through various activities; *Aesthetics* - a sense of belonging in the use of products based on product design; *Ethics* - a sense of utility for society based on the use of products; *Spirituality* - a sense of personal satisfaction through the excitement experienced using the product.

Numerous authors have emphasized the different dimensions of value for consumers. We can identify the existence of three dimensions of value: *cognitive value, emotional value and retention value* (Gummesson, 2008, p. 264). *The cognitive value* involves the objective and rational perception of consumers on price, quality and convenience. *The emotional value* refers to the subjective and irrational consumer perception of a business, while *retention value* includes the number of repeated purchases made by consumers. Consumer value can also be viewed through the following three dimensions: *economic value, functional and psychological value* (Gupta & Lehmann, 2006, p. 116). *The economic value* implies that the consumer will pay less for a given product or service than it would be the case for competing products or services. *The functional value* refers to the characteristics and performance of the product. Unlike psychological, the previous two values are characterized by tangibility, that is, values that can be recognized on the basis of tangible attributes. *The psychological value* is a value that is based on intangible attributes and implies reputation, image of the company, etc.

3. Key dimensions of value in tourism services

Due to the complexity in understanding the value of services, over time, the authors have put in place models that give insight into the dimensions that affect the value of tourism services. In the foreign literature, fewer studies belong to the multidimensional, as opposed to the one-dimensional, approach.

One of the first multidimensional models of value, the so-called PERVAL model, pointed to the existence of four dimensions that describe value (Sweeney & Soutar, 2001):

- *Quality;*
- *Price;*
- *Emotional value;*
- *Social value.*

At the heart of the PERVAL model is the hedonistic and utilitarian dimension of value. This model also includes the social dimension of value that occurs in other studies (Gallarza et al., 2016; Leroi-Werelds et al., 2014). Social value is such a dimension of value that relates to an image that is determined by the influence of members of the community from the environment.

In the field of hospitality industry, a five-dimensional service value model, known as the SERV-PERVAL model, has been developed (Petrick, 2002). The model draws attention to the following dimensions of service value:

- *Quality;*
- *Price;*
- *Emotional response;*
- *Efforts made;*
- *Reputation.*

Compared to PERVAL, this model stands out for its reputation as a significant part of the values of services that customers in tourism evaluate. The reputation of tourism companies is first associated with the level of quality in service delivery. In addition, trust, commitment, communication by staff are crucial to building reputation (Wathne et al., 2001, p. 60). Although the SERV-PERVAL model was first applied in the field of tourism, it also showed its importance in other service industries.

Based on Petrick's model, a model was designed to measure the value of a service offering in the hotel industry across three dimensions (Nasution & Mavondo, 2008):

- *Reputation;*
- *Prestige;*
- *Price.*

Nasution and Mavondo cite prestige as one of the key dimensions of value for tourism service users. Prestige is treated as a component of the social value perceived by users under the influence of an environment whose opinion is valid with respect to businesses that have a built in status symbol (Bergami & Bagozzi, 2000).

In the context of travel agency services, a GLOVAL model has been developed, which emphasizes that the value of a service consists of six dimensions (Sanchez et al., 2006). According to the authors mentioned, value is a six-dimensional concept that encompasses four dimensions of a functional nature and two affective dimensions:

- *Interior and exterior of the tourist agency;*
- *Quality of service offer;*
- *Expertise of employees;*
- *Price;*
- *Emotional value;*
- *Social value.*

The GLOVAL model emphasizes employee expertise as a significant dimension of the value of services in travel agencies. This dimension is crucial especially in the service sector, where it is difficult for customers to evaluate services before making a purchase. In assessing the total value, users of tourism services pay attention to the competence, understanding and commitment of the service staff. Tourism service users expect the staff to be proficient in providing relevant information about the services, as well as in showing interest in meeting their demands and the like.

Drawing on Holbook's typology of values, reviewing empirical studies, Gallarza and Gil (2008) highlight the following dimensions of value that tourists experience while using tourist services:

- *Efficiency;*
- *Quality;*
- *Play;*
- *Aesthetics;*
- *Social value.*

The functional part of the value is reflected in efficiency in terms of convenience and quality of tourist services provided, whereas the emotional value is illustrated by playing as a sense of fun and enjoyment in various activities and aesthetics as a beauty that tourists appreciate while visiting a particular destination.

4. Methodology and results of empirical research

In order to determine differences in perceptions of different dimensions of values by female and male respondents, an empirical study was conducted using survey methods. The sample included a total of 149 respondents, with female respondents accounting for about 58% (86) and male for about 42% of the total sample (63).

The study involved respondents travelling through four travel agencies operating in the territory of the Republic of Serbia. The survey was conducted in the period February and April 2019. The surveys were submitted by tourist guides just before the travels realized.

The perceived value of the services was measured over 12 statements that reflect the most significant dimensions of the value of the travel agencies' service offer (functional, economic, emotional and social value). The statements are adapted on the basis of the relevant foreign studies (Floh et al., 2014; Roig et al., 2009). The respondents rated the given findings on a seven-point Likert scale (1 - I absolutely disagree with the statement; 7 - I absolutely agree with the statement).

Using the *t*-test for two independent samples, it was examined whether statistically significant differences in the average ratings of the value of travel agency services between the two groups of respondents (women and men) occur. The analysis of the collected data was implemented in the statistical package SPSS 20.

Table 1: The results of the t-test

No.	Statements	Sample M (SD)	Female M (SD)	Male M (SD)	t-statistics
1	My travel agency is a reliable travel agency	5.92 (1.069)	6.05 (1.073)	5.75 (1.047)	1.706*
2	My travel agency offers high quality services compared to the competition	5.60 (1.108)	5.74 (1.087)	5.41(1.116)	1.818*
3	The employees do their job professionally	5.95 (1.187)	5.99 (1.213)	5.90 (1.160)	0.423
4	My travel agency offers adequate value for money invested	5.71 (1.135)	5.84 (1.050)	5.54 (1.229)	1.551
5	The price of travel agency services is more favourable than the prices of other travel agencies	5.62 (1.195)	5.83 (1.180)	5.33 (1.164)	2.530**
6	The price of travel agency service justifies my investment	5.94 (0.974)	6.17 (0.843)	5.62 (1.054)	3.452**

	(time, physical and mental effort)				
7	I have a good feeling when using the travel agency services	5.80 (1.168)	5.90 (1.085)	5.67 (1.270)	1.154
8	Using the services of the travel agency gives me a sense of satisfaction	5.65 (1.139)	5.84 (1.126)	5.40 (1.115)	2.368**
9	I feel relaxed while using the travel agency services	5.70(1.143)	5.87 (1.115)	5.46 (1.148)	2.220**
10	My travel agency has a built-in reputation	5.68 (1.411)	5.93 (1.235)	5.33 (1.566)	2.508**
11	Using the services of the travel agency I leave a good impression on the people I know	5.51 (1.354)	5.85 (1.122)	5.05 (1.507)	3.558**
12	Using the services of the travel agency makes me feel like a socially acceptable person	5.27 (1.446)	5.55 (1.262)	4.89 (1.597)	2.707**

* The difference in the mean values is significant at the level of 0.1; ** The difference in the means is significant at the 0.05 level; M - arithmetic mean; SD - standard deviation.
Source: Author's research

Table 1 shows the results of the *t*-test for two independent samples. The respondents' views for the observed segments differ significantly in the case of 9 out of the 12 statements. It can be observed that the respondents gave the highest average grade to the statement "Employees do their job professionally" (M = 5.95); "My travel agency is a reliable travel agency" (M = 5.92), which belong to the functional dimension of value, as well as to the statement "The price of the travel agency service justifies my investment (time, physical and mental effort)" (M = 5.94) which reflects the economic dimension of perceived value. With this statement, the highest degree of homogeneity of the respondents' attitudes was expressed (SD = 0.974).

5. Discussion and conclusion

The focus of the paper is the importance of a multidimensional approach to the analysis of perceived value in tourism. Some multidimensional models for measuring values set by foreign authors are presented. These models allow the identification and analysis of those dimensions of value that stand out as important drivers of customer satisfaction. Based on individual studies conducted, the authors confirm that the value of customer services directly precedes their satisfaction, and as such is considered a major driver of satisfaction (Hu et al., 2009; Lim et al., 2006; Luo et al., 2019). Although service quality has proven to be crucial in providing satisfaction, perceived value as a factor preceding satisfaction is considered to be much more complex, as it involves both cognitive and affective elements (Woodruff, 1997). In the field of tourism, the value of services has also been proven to directly precede and influence customer satisfaction (Feng & Morrison, 2007; Williams et al., 2017). Value through satisfaction influences the consumer to participate in re-purchasing. Consumer valuation based on previous experiences will influence his/her decision to make a repeat purchase in the future at the same manufacturer and be prepared to make a positive impression on others (Bolton et al., 2000).

The empirical research conducted confirms that the respondents are moderately satisfied with the value of the services provided by the travel agencies, with the highest rating given to the service staff and their professionalism, as confirmed in previous studies. The statement "Using the services of the travel agency makes me feel socially acceptable" was rated the lowest. This result is a guideline for owners to invest more money in building a brand. Furthermore, out of the 12 statements, only three did not show significant differences in the attitudes of women and men.

Identifying the key dimensions of value for tourism services enables the creation and delivery of adequate value for customers. This encourages the use of tourism services in the future, builds satisfied customers, who over time become loyal to the services of a particular company. Modern tourism companies are increasingly realizing that the value of customer service is a key indicator of strategic management. Value creation becomes an imperative in business and a source of maintaining an edge over competition. Businesses must focus all their marketing activities on creating and establishing satisfied and loyal customers that are key to achieving long-term profitability. It is imperative that each tourism company identifies the key dimensions of value for services as drivers of loyalty of its users and continue to improve relationships with them.

The research conducted has several limitations. The study was conducted for a limited period of time, thus, in the future, it would be advisable to conduct research that will be performed at multiple intervals. This would identify changes in respondents' attitudes and provide a more detailed analysis. The analysis is limited to a certain number of findings, so it is recommended to include in the next research a larger number of findings that describe the key dimensions of the values of service offer of travel agencies. It would also be interesting to compare male and female respondents' views on other demographic characteristics.

References

1. Ambroso, O. (2001). *Customer Relationship Marketing*. Italia: Etas.
2. Babin, B. J., Darden, W. R., & Griffin, M. (1994). Work and/or fun: Measuring hedonic and utilitarian shopping. *Journal of Consumer Research*, *20*(4), 644–656.
3. Babin, B. J., & Kim, K. (2001). International students travel behavior: A model of the travel-related consumer/dissatisfaction process. *Journal of Travel and Tourism Marketing*, *10*(1), 93–106. https://doi.org/10.1300/J073v10n01_06
4. Barry J. B., & Eric, G. H. (2012). *Ponašanje potrošača* [*Consumer behavior*]. Beograd: Data Status.
5. Bergami, M., & Bagozzi, R. P. (2000). Self-categorization, affective commitment and group self-esteem as distinct of social identity in the organization. *British Journal of Social Psychology*, *39*(4), 555–577. https://doi.org/10.1348/014466600164633
6. Bolton, R. N., & Drew, J. H. (1991). A multistage model of customers' assessments of service quality and value. *Journal of Consumer Research*, *17*(4), 375–384.
7. Bolton, R., Kannan, P., & Bramlett, M. (2000). Implications of loyalty program membership and service experiences for customer retention and value. *Journal of the Academy of Marketing Science*, *28*(1), 95–108. https://doi.org/10.1177/0092070300281009
8. Feng, R., & Morrison, A. M. (2007). Quality and value networks: Marketing travel clubs. *Annals of Tourism Research*, *34*(3), 588–609. https://doi.org/10.1016/j.annals.2007.01.006
9. Floh, A., Zauner, A., Koller, M., & Rusch, T. (2014). Customer segmentation using unobserved heterogeneity in the perceived-value–loyalty–intentions link. *Journal of Business Research*, *67*(5), 974–982. https://doi.org/10.1016/j.jbusres.2013.08.003

10. Gallarza, M. G., & Gil, I. (2008). The concept of value and its dimensions: A tool for analysing tourism experiences. *Tourism Review*, *63*(3), 4–20. https://doi.org/10.1108/16605370810901553
11. Gallarza, M. G., Eugenia R. M. & Gil, I. (2016). Stretching the value-satisfaction-loyalty chain by adding value dimensions and cognitive and affective satisfactions. *Management Decision*, *54*(4), 981–1003. https://doi.org/10.1108/MD-07-2015-0323
12. Gummesson, E. (2008). *Total Relationship Marketing*. Amsterdam: Elsevier.
13. Gupta, S., & Lehmann, D. (2006). *Managing customers as investments*. New Jersey: Pearson Education.
14. Holbrook, M. (1999). *Consumer Value: A framework for analysis and research*. London: Routledge.
15. Hu, H., Kandampully, J., & Juwaheer, D. T. (2009). Relationships and impacts of service quality, perceived value, customer satisfaction, and image: An empirical study. *The Service Industries Journal*, *29*(2), 111–122. https://doi.org/10.1080/02642060802292932
16. Keränen, J., & Jalkala, A. (2013). Towards a framework of customer value assessment in B2B markets: An exploratory study. *Industrial Marketing Management*, *42*(8), 1307–1317. https://doi.org/10.1016/j.indmarman.2013.06.010
17. Leroi-Werelds, S., Streukens, S., Brady, M. K., & Swinnen, G. (2014). Assessing the value of commonly used methods for measuring customer value: A multi-setting empirical study. *Journal of the Academy of Marketing Science*, *42*(4), 430–451. https://doi.org/10.1007/s11747-013-0363-4
18. Lim, H., Widdows, R., & Park, J. (2006). M-loyalty: Winning strategies for mobile carriers. *Journal of Consumer Marketing*, *23*(4), 208–218. https://doi.org/10.1108/07363760610674338
19. Lindgreen, A., & Wynstra, F. (2005). Value in business markets: What do we know? Where are we going?. *Industrial Marketing Management*, *34*(7), 732–748. https://doi.org/10.1016/j.indmarman.2005.01.001
20. Luo, Y., Wang, W., & Sakura, W. (2019). Factors affecting service innovation, customer value toward customer satisfaction: Case on health care industry. *Revista de Cercetare si Interventie Sociala*, *64*, 213–222. https://doi.org/10.33788/rcis.64.17
21. Maričić, B., & Đorđević, A. (2012). *Kreiranje i isporučivanje vrednosti potrošačima* [Creating and delivering value to consumers]. Beograd: CID, Ekonomski fakultet.
22. Nasution, H. N., & Mavondo, F. T. (2008). Customer value in the hotel industry: What managers believe they deliver and what customer experience. *International Journal of Hospitality Management*, *27*, 204–213. https://doi.org/10.1016/j.ijhm.2007.02.003
23. Petrick, J. F. (2002). Development of a multi-dimensional scale for measuring the perceived value a service. *Journal of Leisure Research*, *34*(2), 119–134.
24. Roig, J. C. F., Garcia, J. S., & Tena, M. A. M. (2009). Perceived value and customer loyalty in financial services. *The Service Industries Journal*, *29*(6), 775–789. https://doi.org/10.1080/02642060902749286
25. Sanchez, J., Callarisa, L., Rodriguez, R. M., & Moliner, M. A. (2006). Perceived value of the purchase of a tourism product. *Tourism Management*, *27*(3), 394–409. https://doi.org/10.1016/j.tourman.2004.11.007
26. Sweeney, J. C., & Soutar, G. N. (2001). Consumer perceived value: The development of a multiple item scale. *Journal of Retailing*, *77*(2), 203–220. https://doi.org/10.1016/S0022-4359(01)00041-0
27. Tan, L., & Xu, S. (2015). Research on the mode of enterprise service innovation in micro era. *International Journal of u-and e-Service, Science and Technology*, *8*(11), 199–210. https://doi.org/10.14257/ijunesst.2015.8.11.20

28. Voss C., Roth A., & Chase R. (2008). Experience, service operations strategy, and services as destinations: Foundations and exploratory investigation. *Production and Operations Management*, *17*(3), 247–266. https://doi.org/10.3401/poms.1080.0030
29. Walter, D. (2006). Demand chain effectiveness – supply chain efficiencies: A role for enterprise information management. *Journal of Enterprise Information Management*, *19*(3), 246–261. https://doi.org/10.1108/17410390610658441
30. Wathne, K., Biong, H., & Heide, J. (2001). Choice of supplier in embedded markets: Relationship and marketing program effects. *Journal of Marketing*, *65*(2), 54–66. https://doi.org/10.1509/jmkg.65.2.54.18254
31. Williams, P., Soutar, G., Ashill, N., & Naumann, E. (2017). Value drivers and adventure tourism: A comparative analysis of Japanese and Western consumers. *Journal of Service Theory and Practice*, *27*(1), 102–122. https://doi.org/10.1108/JSTP-05-2015-0116
32. Woodruff, R. B. (1997). Customer value: The next source for competitive advantage. *Journal of the Academy of Marketing Science*, *25*(2), 139–153. http://dx.doi.org/10.1007/BF02894350

Received: 6 March 2020; Sent for revision: 20 March 2020; Accepted: 29 April 2020

Original Scientific Paper

UDC: 338.483.11:[634.8+663.2(497.11)
doi: 10.5937/menhottur2001059S

SWOT analysis of wine tourism development opportunities in the Trstenik vineyard district

Jelena Stojković[1*], Snežana Milićević[1]

[1] University of Kragujevac, Faculty of Hotel Management and Tourism in Vrnjačka Banja, Serbia

Abstract: Serbia is traditionally a wine-growing region and it is slowly approaching those countries that have benefited from the development of this type of tourism. The subject of this paper is the analysis of the Trstenik vineyard district, whose wine-growing areas, although within a small municipality in Central Serbia, are one of the largest in the country within the Three Morava Rivers region. The Trstenik vineyard district can take a chance and find its place in this specific tourism market. The aim of the paper is to present all the strengths and opportunities, but also the threats and weaknesses for the development of wine tourism in this wine district. This is presented through SWOT analysis. All the results could be used to make this municipality as wine tourism destination in Serbia.

Keywords: Trstenik vineyard district, wine tourism, vineyards, municipality Trstenik, tourism destination
JEL classification: Z30, Z32

SWOT analiza mogućnosti za razvoj vinskog turizma u Trsteničkom vinogorju

Sažetak: Srbija je tradicionalno vinorodno područje i polako se približava onim zemljama koje su iskoristile veliku šansu u razvoju ove vrste turizma. Predmet rada je analiza Trsteničkog vinogorja koji je jedan od najvećih vinogradarskih regiona u zemlji u okviru rejona Tri Morave. Trsteničko vinogorje može iskoristiti svoju šansu i pozicionirati se na tržištu vinskog turizma. Cilj rada se odnosi na prikazivanje svih snaga i prilika, ali i pretnji i slabosti za razvijanje vinskog turizma u ovom vinogorju. Navedeno je predstavljeno pomoću SWOT analize. Svi dobijeni rezultati bi mogli biti iskorišćeni kako bi vinogorje postalo destinacija vinskog turizma.

Ključne reči: Trsteničko vinogorje, vinski turizam, vinogradi, opština Trstenik, turistička destinacija
JEL klasifikacija: Z30, Z32

1. Introduction

"Serbia, as a country with rich cultural and historical heritage and preserved natural resources, has comparative advantages for the development of different types of tourism" (Milovanović & Milićević, 2014, p. 39). In recent decades, tourists have shown a growing interest in visiting rural areas (Dimitrovski et al., 2019). Wine tourism, as an authentic,

* jnstojkovic037@gmail.com

specific and original tourism product, occupies an increasingly important place both in the domain of tourist demand and in the domain of tourism offer (Vujko et al., 2017). Serbia has excellent conditions for the development of wine tourism, especially considering that it has cellars from 18th and 19th centuries as well as newer ones, which are open for visitors. Furthermore, it has many wine events and accommodation capacities to support these events (National Tourism Organization of Serbia, 2019). Also, Serbia has adopted a trend of forming wine routes as an inseparable part of wine tourism (Milić et al., 2018). Serbia has 9 wine routes in total: Palić, Fruška Gora, Vršac, Šumadija, Smederevo-Belgrade, Negotin, Župa, Niš-Kragujevac and Kosovo and Metohija. The Trstenik vineyards with their own wineries belong to the Župa wine route.

The subject of this paper is the supply analysis of the Trstenik wine district which belongs to the municipality of the same name in central Serbia. The goal of this paper is to show that, through the SWOT strategic analysis, this small municipality has the potential to become famous for wine tourism. The development of wine tourism in this wine district would be a great stimulus for other wine districts, especially for those that are small and relatively unknown. In order for them to include this kind of tourism as their own tourist product, they should consider how it could have a good economic effect. The economic effects of tourism development in rural areas are primarily reflected in the employment opportunities for rural citizens and the provision of additional revenue, thereby increasing their living standard (Podovac et al., 2019).

Visiting wineries in the Trstenik area is an integral part of rural, excursion and sometimes even religious tourism. Sporadic individual tours of wineries are also common. However, by creating a complete tourist product dedicated exclusively to wine tourism, which would mean connecting all existing capacities and activating new ones, this wine district could offer a unique atmosphere for a specific type of tourists.

2. Literature overview

Ever since tourism became a global phenomenon, in recent decades there have been evident changes in the tourist demand. "Classic destinations and travel motives are changing. A way is given to new, specific forms of tourism, which also include rural tourism" (Krejić et al., 2016, p. 602), as well as wine tourism. Wine tourism shows a great growth index on the tourism market (Chartes & Ali-Knight, 2000) and becomes very important for wine regions (Stein, 2010; Yüncü & Sevil, 2011). It is also among the increasingly-popularizing types of special interest tourism (Erguven, 2015). Tourist travels, which include visits to vineyards, wineries, wine festivals and wine exhibitions are all included in the wine tourism, whereby wine degustation and/or vineyard region attractions represent the primary motivation for these travels (Hall et al., 2000). Therefore, tourists go travelling primarily for wine degustation, to gain new knowledge about wine, learn how to combine wine and food, enjoy wine culture, enjoy rural areas, etc. "Beside those activities, wine tourists usually visit castles and farms and sometimes participate in agricultural activities (for example, pruning or grape picking), inspect wine cellars, etc." (Dorofeeva et al., 2019, p. 1).

Wine tourism is of great importance for small wineries that have a posibiliy of a direct sale of wine in their own wine cellars (Milićević & Štetić, 2017). Amarando et al. (2019) consider that the development of wine tourism not only increases the chances of business success for direct participants in the chain, but also brings benefits for the local community. The suppliers of wine tourism can have crucial and determinant role in speed and quality of the development of wine tourism (Jurinčič & Bojnec, 2011). "It is important to create a positive climate by increasing interest of local people and businesses to be engaged in the development of this form of tourism" (Milićević & Petrović, 2017, p. 176). "To start a development of this form of tourism, it is necessary to animate and educate local people, develop strategic plans at the local level, establish local working groups or groups for the development and marketing activities" (Jovanović & Milićević, 2014, p. 250). Croce and Perri (2011) indicate that wine tourism, besides food tourism, generates many opportunities, but it must be managed and organized in a responsible and sustainable way.

Even though wine tourism can be seen as special, that is, a specific form of tourism, Bruwer (2003) considers that wine tourism in individual areas and regions has become an integral part of rural tourism. "Rural tourism today represents an important factor of recovery and development of rural areas and is an important revenue generator for rural households" (Milićević et al., 2015, p. 752). The development of rural tourism increases the economic position and social activity of rural area citizens (Mandarić et al., 2017).

3. Characteristics of the Trstenik wine district as the basis for the development of wine tourism

The Trstenik wine district, according to the official area division, belongs to the Three Morava Rivers region. The district borders coincide with the borders of the territory of the municipality. The wine district encompasses vineyards that are located in the mountainous terrain of the Trstenik area, on the left and right bank of the Zapadna Morava River. There are 2,211.72 hectares of vineyards, in other words 29.3% of the area is under vines (Jakšić et al., 2019).

The municipality of Trstenik has the largest area covered in vineyards in the country. Also, it is ranked third according to the area among the vineyards that are in the viticulture registry. For comparison, Vršac is ranked first with 1296.32 hectares, then Fruška Gora with 932.96 hectares and then Trstenik with 534.61 hectares (Jakšić et al., 2019).

2.928 households are in the viticulture business (Jakšić, 2016). The Trstenik wine district ranks third according to the area among the plantations of Merlot at the national level. It encompasses 50.17 hectares of vineyards. Cabernet Sauvignon vineyards cover a bit larger area of 54.12 hectares, and are ranked second at the level of whole of Serbia (just behind the Fruška Gora district). As for the autochthonous variety Prokupac, the Trstenik wine district ranks second with an area covering 28.8 hectares. The first place at the national level is held by the regional autochthonous variety Vranac with an area of 51.39 hectares (Jakšić, et al., 2019).

Prokupac was once quite widespread in wine districts Smederevo, Jagodina, and Župa and all the way to southern parts of Macedonia (Johnson, 1972). The Trstenik wine district was recognizable for this type of grapes. More precisely, already after 1946, it was characterized as the dominant variety (Stojanović, 1957). Trstenik becomes famous for its wine Trstenička Ružica which was a blend of red wine with the dominant Prokupac. It was being produced in the "Sloga" agricultural combine and was being featured on the wine lists of the most famous restaurants and hotels throughout the SFRY (Socialist Federal Republic of Yugoslavia).

The presented data clearly show that this wine district is one the most important in the country. As for the production plants, that is wineries, there are only 5 registered ones. This is a small number compared to, for example, the neighbouring Župa wine district, which has as many as 56 registered wineries. Still, the Trstenik wine district is famous for a large number of households that produce wine in the traditional way for their own needs or for sale on the so-called "black market".In the past, large Yugoslav wineries from Slovenia and Croatia were coming for Vranac and Prokupac in the vicinity of Trstenik. Favourable natural conditions for growing the grapes are shown in the fact that probably the only Belgrade winery (Škrbić winery) has its vineyards in the vicinity of Trstenik, in the villages of Mala

Drenova and Rujišnik, the so-called "Serbian Tuscany" as it is described on the winery's website (Vinochicha, 2019). Perhaps it would be more appropriate to call the Levač hillside the "Serbian Bordeaux", since Levač lies at one degree smaller latitude than the French Bordeaux (Simić, 2014).

Trstenik is still relatively unknown at fairs and wine salons, however, for more than 25 years, an event dedicated to Saint Tryphon, the protector of winemakers, has been held on February, 14th. The event is one of the rare events which are officially held. In addition to cutting the holy bread and honouring all the rituals associated with the Trstenik area, awards are given to the best small winemakers. The event is festive in nature, but it is also a competitive one because all the wine samples are evaluated in several categories. In addition to local participants, samples often come from nearby wine districts and in the recent years, samples have been coming from Vojvodina. In addition to traditional meals and wine degustation, there is a showroom for companies involved in viticulture, wine making and grafting. This event often involves organizing educational panels and lectures related to viticulture and winemaking, as well as opening exhibitions of paintings of museum exhibits dedicated to this theme.

Trstenik and the surrounding area are known as the only area which is in the grafting business. The tradition is 100 years old. This area supplied ex-SFRY and ex-Soviet Union with grape grafts. Revenues from grafting during the 70s and 80s were in millions of US dollars. Since the borders of both countries were drastically reduced, this has certainly led to a decline in production, but the Trstenik area and partly Kruševac area remain the only suppliers of vine grafts in the country. To honour vine grafts, the Grafting Fair is annually held in Velika Drenova, which is visited by businessmen and others involved in this production. For a couple of years now, groups of Russian business tourists sporadically come to visit, and their main motive is exclusively to visit vine graft nursery gardens, planting grounds, production facilities, wineries and distilleries around Trstenik. A cultural and historical sightseeing tour is included but as a secondary activity.

The existence of registered wineries, as well as exhibition spaces (museums, galleries) dedicated to wine making and viticulture as well as events is certainly a good basis for developing wine tourism. There is a small number of commercial wineries in this wine district. They are often visited by groups and excursions from nearby Vrnjačka Banja, as well as by other tourists visiting the Trstenik area. The positive fact is that there is a large number of households that are also involved in wine production but are not officially registered as producers and could, with some incentives, become empowered and join the official number of wineries or be engaged in some kind of rural or agricultural tourism with grapes and grapevines as their main products and activities around them.

4. SWOT analysis as an indicator of opportunities for the development of wine tourism in the Trstenik wine district

According to Čerović (2009, p. 226) SWOT analysis or its methodological frame is often used in strategic planning and management. The same author emphasizes that with the help of this analysis, it will be possible to identify a development behaviour of an organization or in this case destination in which chances and the opportunities are offered to this destination, and all weaknesses and threats during the development are minimized. The overview of the above analysis is listed, which discusses the Trstenik wine district and opportunities for the development of wine tourism.

Key strengths of the Trstenik vineyard district for the development of wine tourism:

- Trstenik has a long tradition in viticulture, winemaking and grafting;
- Excellent geographic position of the municipality and the wine district itself;
- Excellent traffic interconnectedness of the municipality and the wine district. Very favourable position in relation to soon to be Morava Corridor highway;
- Road infrastructure is of satisfactory quality (this refers to roads leading to production facilities - wineries), and to other natural and cultural attractions;
- Wineries from these wine districts are included in the Župa wine route;
- The heritage in the form of cultural and historical monuments nearby from various historical periods (numerous monasteries, monuments from newer history, etc.);
- Close to the most popular Serbian tourist centers: Vrnjačka Banja and Kopaonik;
- Trstenik organizes two events dedicated to this theme: Saint Tryphon day and Grafting Fair in Velika Drenova;
- Visits to wineries are included in other types of tourism (excursion, religious).

Key weaknesses of the Trstenik vineyard district for the development of wine tourism:

- The existence of only 5 commercial wineries compared to a great number of smaller family producers;
- Not having proper tourist signalization for all wineries;
- Total or partial unrecognizability of the Trstenik area as a vineyard area;
- Products are not branded enough;
- The lack of promotion and other marketing activities of Trstenik and the Trstenik wine district as a possible destination for wine tourism visitors;
- Insufficient awareness of all interested parties about the immediate strong effects that this type of tourism would bring to the whole region;
- Insufficient awareness of possible small wine makers about possibilities and benefits they would have if they changed their traditional production to the commercial one;
- Still the insufficient number of accommodation units or inadequate category of the existing ones.
- Insufficient education, training or any other programmes that would be available to all interested parties that would participate in wine tourism.

Key possibilities of the Trstenik vineyard district for the development of wine tourism:

- Development of a strong and systematic program for promoting the Trstenik wine district and wine tourism; Taking part in tourism fairs in the country and the region where wine tourism would be promoted as the central "product" and not an accompanying one;
- Further development of capacities which would be of great interest to tourists (for example, building a small museum in Velika Drenova which would be dedicated to grafting and wine making, revitalization of the so-called vineyard huts located in the vineyards themselves and which could be visited by tourists);
- Further development of local events dedicated to wine makers and Saint Tryphon as to gain a stronger and larger scope, given the fact that it is one of the few that has been ceremoniously held for over twenty years; Development of the Grafting days event in Velika Drenova. Creating new events dedicated to wine tasting (for example, wine salons, wine fairs, etc.);
- Designing and organizing easy and medium hiking tours of vineyards;

- Designing the tours that would, beside wineries, include a tour of nursing gardens with grafts of grape vines and other plants;
- Wine tourism and its capacities could still be "accompanying" in relation to religious tourism, excursion tourism, cultural tourism etc.
- Providing encouragement and incitement to small winemakers who continue to practice traditional wine production to open and register small family wineries. Another option would be to sell their wine at their doorsteps but by registering and equipping their households for rural and ethno tourism.
- Collaboration with other nearby areas as to create a single integrated package for tourists that would be at the level of either the Rasina district of the Three Morava Rivers Region.

Key threats of the Trstenik vineyard district for the development of wine tourism:

- Insufficient incentives from local and state authorities for primary registration of small family wineries; An immediate proximity to one of the most developed wine districts (the Župa district) which could "take away" tourists simply because of its more famous name and much more recognizable brand;
- Reducing areas covered with vine grapes, which is happening for years now, can also indirectly influence the possible projects related to wine tourism;
- Due to the still unfavourable economic situation, many well-to-do households that are under financial pressure are abandoning viticulture and winemaking business and are switching to other more profitable cultures;
- Insufficient promotion of the wine district from local authorities as a possible destination for wine tourism.

5. Conclusion

Many authors and experts have agreed that the best examples of Serbian practice of wine tourism are in Vojvodina, in Fruška Gora and Vršac districts respectively, whereas all other districts are not fully using their conditions, potentials, capacities to make similar or same rappers in their respective areas.

The Trstenik wine district does not operate at full capacity, although it is very significant for its number of vineyards and types of grapes it is cultivating, has a long tradition in grafting, viticulture and winemaking and has production capacities, small and large and has a chance to fully integrate wine tourism as one of its main tourist products. First of all, production capacities exist, but there could be more of them than the number of private households that produce wine for their own needs. Wineries are situated along the Župa wine route, but not all of them, also the proximity to one of the most famous wine districts (Župa) is not fully used in terms of creating one regional wine tourist product. There is a lack of additional accommodation in the city itself as well as in the villages. There is also an insufficient promotion and marketing campaign dedicated to the wine district by the local tourist organization and municipal authorities, which would lead to a better positioning of the wine district not only in the wine market but also in wine tourism. Finally, there is a lack of clear strategy and clearly defined operational activities, which would be the starting point for wine tourism to become an instrument of development of the whole area. Designing such a strategy would make all possible participants in such a project aware of all the benefits of developing this type of tourism. Wine tourism would be a great economic impetus for developing the Trstenik area, especially because it would employ capacities that have not been used earlier and thus further refine its purpose. The Trstenik area has excellent conditions for the development of religious and excursion tourism, so wine tourism could become the main tourist product of the municipality in the near future.

The contribution of this paper can be significant. Primarily, a relatively unknown wine district is being researched in terms of areas and varieties among the first in the country, so presenting the facts about it can be a further incentive for other under-established wine districts, which could see their chance in the development of this type of tourism.

The limitations of these researches are of course numerous. Firstly, there are not enough new and different papers dealing with the study of wine tourism in Serbia, which could serve as a theoretical basis for research. In particular, there is an insufficient number of papers dealing with less well-established or unbranded wine districts, which could be the focus of a comparative analysis. Also, there are few relevant data about the Trstenik wine district, which is also making the research even more difficult. All mentioned above can be justified, given that wine tourism is still a theoretically unexplored topic of Serbian tourism, and it is only logical that it does not have representative examples in practice.

References

1. Amarando, M., Assenov, I., & Visuthismajarn, P. (2019). A systematic review of sustainable wine tourism research in Asia 2000-2011. *African Journal of Hospitality, Tourism and Leisure*, *8*(4), 1–24.
2. Bruwer, J. (2003). South African wine routes: some perspectives on the wine tourism industry's structural dimensions and wine tourism product. *Tourism Management*, *24*(4), 423–435. https://doi.org/10.1016/S0261-5177(02)00105-X
3. Charters, S., & Ali-Knight, J. (2000). Wine tourism - A thirst for knowledge? *International Journal of Wine Marketing*, *12*(3), 70–80. https://doi.org/10.1108/eb008715
4. Crocce, E., & Perri, G. (2011). Food and wine tourism integrating food, travel and territory. In M. F. Romano Voltera (Ed.), *First European conference on wine and food tourism*, Proceedings (pp. 31–34). Pisa, Italy: Scuola Superiore Sant'Anna, Pisa Associazoone Nazionale Città del Vino Università di Pisa, Dipartimento di Agronomiae Gestione dell'agroecosistema.
5. Čerović, S. (2009). *Strategic Management in Tourism*. Belgrade: University Singidunum.
6. Dimitrovski, D., Leković, M., & Joukes, V. (2019), A bibliometric analysis of Crossref agritourism literature indexed in Web of Science. *Menadžment u hotelijerstvu i turizmu – Hotel and Tourism Management*, *7*(2), 25–37. https://doi.org/10.5937/menhottur1902025D
7. Dorofeeva, A., Kazak, A., & Nyurenberger, L. (2019). Wine tourism and the introduction of new technologies in winemaking and viticulture. *IOP Conf. Series: Earth and Environmental Science*, *315*(7), 1–5.
8. Erguven, M. (2015). Gastronomy and wine tourism as a variety of special interest tourism: Thracian vineyard route. *International Periodical for the Languages, Literature and History of Turkish or Turkic*, *10*(10), 449–464. http://dx.doi.org/10.7827/TurkishStudies.8709
9. Hall, M., Sharples, L., Combourne, B., & Macionis, N. (2000). *Wine tourism around the world: Develoment, management and markets*. Oxford: Butterworth Heinemann.
10. Jakšić, D. (2016). Some important features of the Three Morava vineyard region. In J. Ninkov (Ed.), *Pedological and agrochemical characteristics of the Three Morava vineyard region* (pp. 41–80). Novi Sad: Institute for Field and Vegetable Crops.

11. Jakšić, D., Bradić, I., Beader, M., Ristić, M., Popović, D., Mošić, I., & Dodok, I. (2019). *Viticulture and winemaking in Serbia, Study of analysis of grape production and wine production sector*. Niš: Center for Viticulture and Enology.
12. Johnson, H. (1972). *Der grosse weinatlas, die weine und spirtuosen der Welt*. Bern: Hallwag.
13. Jovanović, D., & Milićević, S. (2014). Capacity building of rural population for ecologically clean food, brand and tourism. In D. Cvijanović, J. Subić and A. J. Vasile (Eds.), *International scientific conference Sustainable agriculture and rural development in terms of the Republic of Serbia strategic goals realization within the Danube Region - Rural development and (un)limited resources*, Thematic Proceedings (pp. 243–258). Belgrade, Serbia: Institute of Agricultural Economics.
14. Jurinčič, I., & Bojnec, Š. (2011). Wine tourism as determinant of tourism development in Slovenian wine regions. In M. F. Romano Voltera (Ed.), *First European conference on wine and food tourism*, Proceedings (pp. 51–53). Pisa, Italy: Scuola Superiore Sant'Anna, Pisa Associazoone Nazionale Città del Vino Università di Pisa, Dipartimento di Agronomiae Gestione dell'agroecosistema.
15. Krejić, Ž., Čerović, S., & Milićević, S. (2016). Impact of socio-demographic characteristics on travel expenditures of Hungarian tourists in the village of Skorenovac. *Economics of Agriculture*, *63*(2), 601–615. https://doi.org/10.5937/ekoPolj1602601K
16. Mandarić, M., Milićević, S., & Sekulić, D. (2017). Traditional values in the function of promotion of Šumadija and Pomoravlje as rural tourism destinations. *Economics of Agriculture*, *64*(2), 787–803. https://doi.org/10.5937/ekoPolj1702787M
17. Milić, D., Bulatović, M., L., & Elenov, R. (2018). Wine production in the world and wine routes in the Republic of Serbia. In I. Ostojić, M. Ivanković, A. Filipović and J. Beljo (Eds.), *Scientific and expert meeting with international participation "130 years of organized viticulture and winemaking in Bosnia and Herzegovina", Zbornik radova* (pp. 42–55). Mostar: Federalni agromediteranski zavod, Agronomski i prehrambeno-tehnološki fakultet sveučilišta u Mostaru.
18. Milićević, S., & Petrović, J. (2017). Tourist products in the function of improving competitiveness of Serbia as a tourist destination. In D. Cvijanović, P. Ružić, C. Andreeski, D. Gnjatović and T. Stanišić (Eds.), *Tourism in Function of Development of the Republic of Serbia - Tourism product as a factor of competitiveness of the Serbian economy and experiences of other countries, Thematic Proceedings I* (pp. 167–183). Vrnjačka Banja: University of Kragujevac, Faculty of Hotel Management and Tourism in Vrnjačka Banja.
19. Milićević, S., Podovac, M., & Čavlin, M. (2015). Resources for development of the Rača municipality as rural tourism destination. *Economics of Agriculture*, *62*(3), 751–765. https://doi.org/10.5937/ekoPolj1503751M
20. Milićević, S., & Štetić, S. (2017). *Menadžment u turizmu* [*Tourism management*]. Vrnjačka Banja: University of Kragujevac, Faculty of Hotel Management and Tourism in Vrnjačka Banja.
21. Milovanović, V., & Milićević, S. (2014). Management of Serbian tourism products as a condition for improving its competitiveness on international tourism market. *Menadžment u hotelijerstvu i turizmu – Hotel and Tourism Management*, *2*(1), 38–48.
22. *National Tourism Organization of Serbia* (2019). Retrieved December 6, 2019 from http://www.srbija.travel/srbija-putevi-vina/srbija-putevi-vina.2181.html
23. Podovac, M., Đorđević, N., & Milićević, S. (2019). Rural tourism in the function of life quality improvement of rural population on Goč Mountain. *Economics of Agriculture*, *66*(1), 205–220. https://doi.org/10.5937/ekoPolj1901205P
24. Simić, Ž. M. (2014). *Genealogija Starog Levča* [*Genealogy of Old Levač, First book, volume IV-addition*]. Dragovo.

25. Stein, S. (2010). New markets and new strategies in Argentina's wine revolution. *Economics, Management, and Financial Markets*, *5*(1), 64–98.
26. Stojanović, M. (1957). *Viticultur*e (4th ed.). Belgrade: Naučna knjiga.
27. *Vinochicha*. (2019). Retrived December 10, 2019 from http://vinochicha.com/o-nama/
28. Vujko, A., Gajić, T., & Gudurić, I. (2017). Wine trails of Irig municipality: Perspectives of development. *Menadžment u hotelijerstvu i turizmu – Hotel and Tourism Management*, *5*(2), 7–15.
29. Yüncü, H., & Sevil, G. (2011). Development a destination competitiveness model for wine tourism regions: Case of Cappadocia. In M. F. Romano Voltera (Ed.), *First European conference on wine and food tourism*, Proceedings (pp. 85–86). Pisa, Italy: Scuola Superiore Sant'Anna, Pisa Associazoone Nazionale Città del Vino Università di Pisa, Dipartimento di Agronomiae Gestione dell'agroecosistema.

Received: 27 March 2020; Accepted: 14 May 2020

Original Scientific Paper
UDC: 338.48-6:502/504(497.11)
doi: 10.5937/menhottur2001069Z

The analysis of factors influencing tourists' choice of green hotels

Stefan Zdravković[1*], Jelena Peković[1]

[1] PhD student, University of Kragujevac, Faculty of Economics, Kragujevac, Serbia

Abstract: In addition to achieving economic goals, tourism companies must take care of social goals and the impact of their business activities on the environment. Social responsibility and economic profit are not contradictory, but rather complementary. Many companies implement Environmental Management System (EMS) in their business operations. Nowadays, Corporate Social Responsibility (CSR) is more and more represented in tourism and hotel industry. An increasing number of tourists are showing concern for the environment and they are staying in green hotels during their travels. The survey was conducted to determine whether the tourist's intention to stay at the green hotel is affected *the tourists' care for the environment* and *the perceived value of the green hotel offers*. Statistical analysis was performed on a sample of 155 respondents from the territory of the Republic of Serbia. The results of empirical research have shown that these variables have a positive impact on the choice of green hotels, so the study offers important practical implications for tourism and hospitality companies.

Keywords: corporate social responsibility, EMS, green hotels, perceived value of the offer, environmental care of tourists
JEL classification: Q50, Q51, Z32

Analiza faktora koji utiču na izbor zelenog hotela od strane turista

Sažetak: Turistička preduzeća pored ostvarenja ekonomskih ciljeva moraju voditi računa o društvenim ciljevima i uticaju svojih poslovnih aktivnosti na životnu sredinu. Društvena odgovornost i ekonomski profit nisu u suprotnosti, već su komplementarni. Mnoge kompanije u svom poslovanju implementiraju sistem zaštite životne sredine (Environmental Management System – EMS). Društveno odgovorno poslovanje je danas sve više zastupljeno u turizmu i hotelijerstvu, a sve veći broj turista pokazuje brigu o zaštiti životne sredine i prilikom svojih putovanja odseda u „zelenim hotelima”. Istraživanje je sprovedeno sa ciljem da se utvrdi da li varijable *briga turista o zaštiti životne sredine* i *percipirana vrednost ponude „zelenog hotela”* utiču na nameru turista da odsednu u „zelenom hotelu”. Statistička analiza je rađena na uzorku od 155 ispitanika sa teritorije Republike Srbije. Rezultati empirijskog istraživanja su pokazali da navedene varijable imaju pozitivan uticaj na izbor „zelenih hotela”, tako da studija nudi važne praktične implikacije za pružaoce usluga u oblasti turizma i hotelijerstva.

Ključne reči: društveno odgovorno poslovanje, EMS, „zeleni hoteli”, percipirana vrednost ponude, briga turista o zaštiti životne sredine
JEL klasifikacija: Q50, Q51, Z32

* szdravkovic034@yahoo.com

1. Introduction

Tourism is the industry with the greatest potential for growth. Tourists increase the number of their trips over the years (Pejic Bach et al., 2014). Increasing efforts are being made to promote the socially responsible behavior of tourism companies (Lebe & Milfelner, 2006). Corporate Social Responsibility (CSR) involves management that takes into account both economic and social goals (Ghoul et al., 2011). The primary business motive of any company is profit, but in recent years a large number of companies have paid attention to environmental protection and it involves the use of higher quality technology, optimal use of resources, reduction of emissions of gases and the like.

ISO 14000 is an international standard for environmental protection. It assists companies in the process of setting up an Environmental Management System (EMS). EMS is increasingly present in the hospitality industry and it enables organizations to control the impact of their business activities on the natural environment (Chan, 2008). Environmental protection is crucial and does not imply the suppression of tourism simply because there is a negative impact on the natural environment. Instead, it implies managing tourism in such a way that it does not adversely affect the nature and culture of the host country (Miththapala et al., 2013).

Cashman et al. (2012) claim that "human activities associated with economic and social development have altered the composition of the global atmosphere through the emission of greenhouse gasses" (p. 17). Furthermore, small island countries, which represent the most attractive tourist destinations, are most sensitive to the effects of climate change and the influence they have on the natural environment. Nowadays, increasing numbers of tourists show concern for the environment and, when traveling, stay in green hotels, which seek to reduce the environmental impact of certain activities (Cheng & Wu, 2014). Statistics show that an increasing number of tourists are aware of the efforts being made by tourism and hospitality companies to improve their environmental performance and it is projected that tourists will increasingly choose such hotels during their travels (Miththapala et al., 2013).

The subject of this research is *environmental analysis*, as well as tourists' impressions of green hotels and their desire to stay there when traveling. The main objective of the research is to determine whether and to what extent the variables *tourists' care for the environment* and *the perceived value of the green hotels offers* affect the intention of tourists to choose green hotels for their stay when traveling.

When it comes to the methodology used, the survey method was employed to collect data. Data analysis was performed using SPSS statistical software. Statistical analysis used descriptive statistics (arithmetic mean and standard deviation), reliability analysis to assess internal consistency of model findings and validity, correlation and multiple regression analysis to confirm or reject research hypotheses.

The work consists of five parts. Following the introduction, the literature review analyzes *tourists' care for the environment*, *the perceived value of the green hotel offers* and *tourists' preferences for staying there during their travels*. Within this section, research hypotheses are formulated and a conceptual model is presented. The third part presents the research methodology and sample structure. The fourth part contains the results of the research, while the fifth part outlines the main contributions of the research, theoretical and managerial implications, limitations and directions of future research.

2. Literature review

EMS system has become increasingly known worldwide in the hotel industry lately. The system provides an opportunity for companies to reduce the negative impact of their business activities on nature (Chan, 2009). Steger (2000) describe EMS as a "transparent, systematic process known corporate-wide, with the purpose of prescribing and implementing environmental goals, policies and responsibilities, as well as regular auditing of its elements" (p. 24).

Stipanuk (1996) states that almost all hotels are familiar with the EMS system and have implemented it in their operations in order to reduce the negative influence of their business activities on the nature. The implementation of the EMS system enables the company to do socially responsible business, but, on the other hand, it can also gain a certain financial benefit. The international standard ISO 14000 provides guidelines for the evolution of the EMS system, which allows reducing business costs, process optimization and the like, which ultimately affects the profit of the organization. Chan and Ho (2006) state that organizations need knowledge, experience and expertise as well as significant financial resources to build an EMS system. Furthermore, it is necessary to animate tourists in marketing campaigns to contribute to environmental programs and pay an additional amount to support environmental policy.

The tourism industry is working hard to offer consumers the opportunity to help protect the environment. Many travel agencies offer travelers the opportunity to pay a certain fee when booking a trip, which allows for a reduction in environmental pollution (Dhanda, 2014). Nowadays, green marketing is experiencing a significant increase in popularity. Green marketing activities include modifications in the production process and saving of resources, promotion of products with environmental characteristics, eco-friendly packaging and the like.

Nowadays, socially responsible actions are expected not only from large hotels but also from small and medium-sized hotels (Kasim, 2015). All organizations need to make the effort and find creative and innovative solutions to reduce the negative influence of their business activities on the nature. CSR has a positive impact on the image of organizations and thanks to the rapid development of the Internet and communication, as well as the increasing importance of social networks, consumers are easily informed about the environmental programs used by hotels (Chan & Hsu, 2016). In addition to having a positive impact on the image of organizations, environmental policy also contributes to the growth of a loyal customer base, especially those who care about the natural environment (Gürlek et al., 2017). Tourists who take care of the environment stay in green hotels when traveling, as they implement environmental policies in a way that minimizes the negative effects on the natural environment (Gustin & Weaver, 1996).

From a marketing perspective, in order for a consumer to achieve a degree of satisfaction, it is necessary for the product or service to be of a high degree of quality and to meet the needs of consumers with their performance (Hwang & Seo, 2016). Similarly, green hotels are organizations that implement environmental programs to reduce the negative influence of their business activities on the nature. Environmental activities include solar heating, thermal systems, recycling for all waste materials, eco-friendly equipment, energy-saving lamps, healthy food and the like. Conservation of natural resources creates desirable values for tourists who are about the environment. Environmental protection or ecological value involves the care and effort of an individual to preserve the natural environment (Thompson & Barton, 1994). Individuals who advocate the implementation of environmental programs seek to collaborate with organizations that implement such programs, because they believe that nature is valuable in itself and that natural resources must be conserved for a better quality of life. In their research, Teng et al. (2018) found that tourists' concern for the environment had a positive impact on tourist's decision to choose a green hotel when traveling. Cvijanović et al. (2018) found that the implementation of environmental standards in the hotel industry has a positive impact on the satisfaction and loyalty of tourists, as well as their intention to recommend their friends through social networks to use the services of green hotels. The same authors state that in Serbia a small number of hotels apply environmental standards and that their application would be a factor of differentiation and gaining a competitive advantage. From the abovementioned, it can be concluded that the concept of green hotels has a development perspective in Serbia and that customers do pay attention to environmental protection. Based on the above, the first research hypothesis in the paper can be formulated:

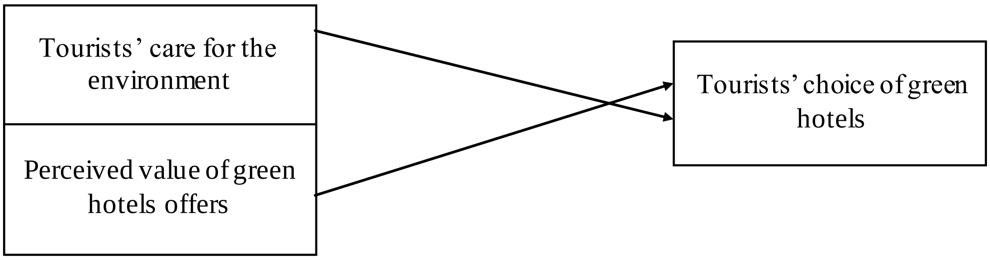
H1: Tourists' care for the environment has a positive statistically significant impact on the choice of a green hotel to stay in when traveling.

When tourists choose a hotel, they consider the conditions and the whole offer. The perceived value of a green hotel offer is the choice of hotels that applies socially responsible behavior, the general impression of those hotels, the experiences of acquaintances and the like (Tzschentke et al., 2004). If staying in a green hotel has left a favorable impression on tourists, and gave them a sense of satisfaction and affordable accommodation, they will probably choose the same hotel for their next trip (Teng et al., 2018). Many studies of tourism and hospitality have shown that the perceived value of the offer has a significant impact on tourists' intention to choose a particular hotel when traveling (Chen & Chen, 2010; Ryu et al., 2008). Similar is the situation with *the perceived value of green hotels* and their choice of tourists when traveling. Based on the above, a second research hypothesis can be formulated in the paper:

H2: The perceived value of a green hotel offers has a positive statistically significant impact on the tourists' choice of a green hotel to stay in when traveling.

The paper starts with the conceptual model presented in Figure 1, which monitors the impact of *tourists' care for the environment* and *the perceived value of a green hotel offers* on tourists' intention to choose a green hotel for their stay.

Figure 1: Conceptual model



Source: Author's research

3. Research methodology

The survey was conducted on the territory of the Republic of Serbia. The condition for respondents to participate in the survey was that they were familiar with the concept of green hotels. A total of 180 questionnaires were distributed. Out of the total number, 155 respondents were familiar with the concept of green hotels and 25 were not, which excluded them from the survey. Based on the abovementioned, the sample includes 155 respondents. The survey was conducted in written and electronic form, using the questionnaire method. Respondents evaluated statements by a seven-point Likert scale. The statements were taken from relevant works in the literature which dealt with the issue of socially responsible business in tourism. An overview of the statements is given in Table 1. Statistical software IBM SPSS Statistics Version 23 (Statistical Package for Social Sciences) was used for data analysis. Statistical analysis used descriptive statistics (arithmetic mean and standard deviation), reliability analysis to assess internal consistency of model findings and validity, correlation and multiple regression analysis to test research hypotheses.

Table 1: Research variables based on the grouping of the statements used

Variables	Statements	Source
Tourists' care for the environment	1. It is sad to see the destroyed natural environment. 2. Nature is precious in itself. 3. Conservation of natural resources is important for good health and better quality of life.	Adapted to: Teng et al. (2018)
Perceived value of green hotels offers	4. My friends were pleased with their stay at a green hotel. 5. Staying at a green hotel gives people a sense of satisfaction. 6. Green hotels offer affordable accommodation rates.	
Tourists' choice of green hotels	7. I will stay at a green hotel when the first opportunity arises. 8. I want to stay at a hotel that cares about the environment. 9. I think a green hotel is a good choice.	Adapted to: Tilikidou & Delistavrou (2015)

Source: Author's research

An overview of the demographic structure of the respondents is given in Table 2. Segmentation was performed based on the criteria of gender, age and education.

Table 2: Demographic structure of respondents

		Number of respondents	**Percent of respondents %**
Gender	Females	85	54.8
	Male	70	45.2
	Total	**155**	**100%**
Age	Up to17 years of age	20	12.9
	18-30 years of age	62	40.0
	31-50 years of age	54	34.8
	51 years and older	19	12.3
	Total	**155**	**100%**
Education	Primary education	9	5.8
	Secondary education	73	47.1
	College education	12	7.7
	University	61	39.4
	Total	**155**	**100 %**

Source: Author's research

In the sample of 155 respondents, there are 85 women and 70 men. The majority of respondents were between the age of 18 and 30, 62 in total (40%). In terms of education, the highest number of respondents have secondary education 73 (47.1%).

4. Research results

The study first used a descriptive statistical analysis. Table 3 shows the results.

Table 3: Results of descriptive statistical analysis

Statements	M	SD
1. It is sad to see the destroyed natural environment.	5.48	1.97
2. Nature is precious in itself.	**5.57**	1.91
3. Conservation of natural resources is important for good health and better quality of life.	5.08	**1.26**
4. My friends were pleased with their stay at the green hotel.	**4.04**	2.00
5. Staying at a green hotel gives people a sense of satisfaction.	4.50	1.94
6. Green hotels offer affordable accommodation rates.	4.87	**2.08**
7. I will stay at a green hotel when the first opportunity arises.	4.81	1.80
8. I want to stay at a hotel that cares about the environment.	5.01	2.04
9. I think a green hotel is a good choice.	4.25	1.75

Source: Author's research

The most positive attitudes were expressed by the respondents in the statement *Nature is precious in itself* (arithmetic mean 5.57). The most negative attitudes were expressed by the respondents in the statement *My friends were pleased with their stay at the green hotel* (arithmetic mean 4.04). Respondents' attitudes are the most homogeneous based on the statement *Conservation of natural resources is important for good health and better quality of life* (the lowest standard deviation value is 1.26). The attitudes of the respondents are the most heterogeneous in the statement *Green hotel offers affordable accommodation rates* (the highest standard deviation value 2.08).

In the second step, a reliability analysis was performed to determine the internal consistency of the findings by which certain variables are measured. Reliability analysis is usually performed by considering the values of the *Cronbach's alpha* coefficient. For a given variable to have an adequate degree of reliability, it is necessary that the value of this coefficient be higher than 0.70 (Nunnally, 1978). Table 4 presents the results obtained.

Table 4: Reliability analysis

Variables	Cronbach's alpha
Tourists' care for the environment	0.75
Perceived value of green hotels offers	0.82
Tourists' choice of green hotels	0.80

Source: Author's research

The results show that the value of the *Cronbach's alpha coefficient* is higher than 0.70 in the case of all the variables used, which confirms that the variables are measured by adequate mutually consistent statements. A correlation analysis was used to determine whether there was a statistically significant relationship between the variables. Table 5 shows the results.

Table 5: Correlation matrix

	Tourists' care for the environment	Perceived value of green hotels offers	Tourists' choice of green hotels
Tourists' care for the environment	1	0.296**	0.424**
Perceived value of green hotels offers	0.296**	1	0.358**
Tourists' choice of green hotels	0.424**	0.358**	1

Note: ** Correlation coefficients are significant at the 0.01 level
Source: Author's research

Based on the results of the correlation analysis, it can be concluded that all values of *Pearson's correlation coefficient* are statistically significant. The highest degree of linear correlation is present between the variables of *Tourists' care for the environment* and *Tourists' choice of green hotels* (the highest coefficient value of 0.424). The lowest degree of linear correlation is present between the variables of *Tourists' care for the environment* and *Perceived value of green hotels offers* (the lowest coefficient value is 0.296).

The study applied multiple regression analysis, which measured the impact of independent variables *Tourists' care for the environment* and *Perceived value of green hotels offers* on dependent variable *Tourists' choice of green hotels*. The results are shown in Table 6.

Table 6: Results of multiple regression analysis (dependent variable: *Tourists' choice of green hotels*)

Variables	**β**	**Sig**	**t**	**VIF**
Tourists' care for the environment	0.348**	0.000	4.698	1.092
Perceived value of green hotels offers	0.255**	0.001	3.448	1.096

Note: ** The coefficients are statistically significant at the 0.01 level; R^2=0.356
Source: Author's research

The coefficients of determination R^2 is 0.356, which means that 35.6% of the variability in the choice of green hotels by tourists is explained by this regression model. The data are suitable for conducting multiple regression analysis because the value of VIF coefficients in all pairs is less than 5, so there is no problem of multicollinearity (Field, 2000). The results show that the *Tourists' care for the environment* (β=0.348, Sig value<0.01) and *Perceived value of green hotels offers* (β=0.255, Sig value<0.01) have a statistically significant influence on the *Tourists' choice of green hotels*. Based on the abovementioned, it can be concluded that both research hypotheses defined in the paper, H1 and H2, have been confirmed.

5. Conclusion

A number of authors have been researching socially responsible tourism business. This study examined the impact of variables *Tourists' care for the environment* and *Perceived value of green hotels offers* on the *Tourists' choice of green hotels*. The results show that both variables have a positive statistically significant effect on tourists' intention to choose green hotels for stay when traveling, so both research hypotheses are confirmed. Green marketing has become quite important and many organizations, including hotels, are trying to attract "green customers". The choice of a green hotel by tourists has so far been addressed in a very small number of studies, which reflects the *main contribution and originality* of the paper. The *theoretical contribution* is reflected in the expansion of scientific knowledge about green hotels. The results show that tourists who take care of the environment choose green hotels for their stay when traveling. Previous research has come to similar results (Cvijanović et al., 2018; Teng et al., 2018), so these claims have been proven in this research as well. Moreover, the results of this research have shown that the perceived value of the green hotel offer has a positive effect on the choice of the green hotel by tourists and the previous research has yielded similar results (Chen & Chen, 2010; Ryu et al., 2008). The findings of the study offer useful *managerial implications*. The results show that tourists from the Republic of Serbia care about the protection of the environment and that they are familiar with the concept of green hotels, as well as that they show the intention to stay in hotels that implement certain environmental programs during the next trip. However, in Serbia the concept of green hotels has not yet been sufficiently developed. Hospitality service providers should pay attention and make an effort to implement environmental policies, in order to gain tourists' trust and ultimately increase profits. Cvijanović et al. (2018) also point out that the strategy, which involves the implementation of environmental programs in the hotel industry can be the basis for gaining a competitive advantage. The green marketing trend is expected to continue to grow, so implementing eco-programs is a good way for tourism and hospitality service providers to achieve better business results. However, this study has *some limitations*. The sample size is small, and the age structure shows that mostly young respondents participated in the research. *Future research* should involve larger sample and include elder respondents. It is desirable to apply tests that show whether there is a difference in the respondents' views on environmental protection and the choice of a green hotel when traveling in terms of demographic characteristics. Moreover, it would be useful to conduct research in other countries, as this would create an opportunity to compare the views of members of different nations on the implementation of environmental programs and the choice of green hotels by tourists.

References

1. Cashman, A., Cumberbatch, J., & Moore, W. (2012). The effects of climate change on tourism in small states: evidence from the Barbados case. *Tourism Review, 67*(3), 17–29. https://doi.org/10.1108/16605371211259803
2. Chan, E., & Hsu, C. (2016). Environmental management research in hospitality. *International Journal of Contemporary Hospitality Management*, *28*(5), 886–923. https://doi.org/10.1108/IJCHM-02-2015-0076
3. Chan, E. S. W. (2008). Barriers to EMS in the hotel industry. *International Journal of Hospitality Management*, *27*(2), 187–196. https://doi.org/10.1016/j.ijhm.2007.07.011
4. Chan, W. (2009). Environmental measures for hotels' environmental management systems: ISO 14001. *International Journal of Contemporary Hospitality Management*, *21*(5), 542–560. https://doi.org/10.1108/09596110910967791
5. Chan, W., & Ho, K. (2006). Hotels' environmental management systems (ISO 14001): creative financing strategy. *International Journal of Contemporary Hospitality Management*, *18*(4), 302–316. https://doi.org/10.1108/09596110610665311
6. Chen, C. F., & Chen, F. S. (2010). Experience quality, perceived value, satisfaction and behavioral intentions for heritage tourists. *Tourism Management*, *31*(1), 29–35. https://doi.org/10.1016/j.tourman.2009.02.008
7. Cheng, T. M., & Wu, H. C. (2014). How do environmental knowledge, environmental sensitivity, and place attachment affect environmentally responsible behavior? An

integrated approach for sustainable Island tourism. *Journal of Sustainable Tourism*, *23*(4), 557–576. https://doi.org/10.1080/09669582.2014.965177

8. Cvijanović, D., Sekulić, D., & Pavlović, D. (2018). Are green hotels suitable for the development of entrepreneurship in tourism? *Ekonomika preduzeća*, *66*(7/8), 424–432. https://doi.org/10.5937/ekopre1808424c
9. Dhanda, K. (2014). The role of carbon offsets in achieving carbon neutrality: An exploratory study of hotels and resorts. *International Journal of Contemporary Hospitality Management*, *26*(8), 1179–1199. https://doi.org/10.1108/IJCHM-03-2013-0115
10. Field, A. (2000). *Discovering statistics using SPSS for Windows*. Thousand Oaks: Sage Publication.
11. Ghoul, S. E., Guedhami, O., Kwok, C. C. Y., & Mishra, D. R. (2011). Does corporate social responsibility affect the cost of capital. *Journal of Banking & Finance*, *35*(9), 2388–2406. https://doi.org/10.1016/j.jbankfin.2011.02.007
12. Gustin, M. E., & Weaver, P. A. (1996). Are hotels prepared for the environmental consumer? *Journal of Hospitality and Tourism Research*, *20*(2), 1–14. https://doi.org/10.1177%2F109634809602000201
13. Gürlek, M., Düzgün, E., & Meydan Uygur, S. (2017). How does corporate social responsibility create customer loyalty? The role of corporate image. *Social Responsibility Journal*, *13*(3), 409–427. https://doi.org/10.1108/SRJ-10-2016-0177
14. Hwang, J., & Seo, S. (2016). A critical review of research on customer experience management: theoretical, methodological and cultural perspectives. *International Journal of Contemporary Hospitality Management*, *28*(10), 2218–2246. https://doi.org/10.1108/IJCHM-04-2015-0192
15. Kasim, A. (2015). Environmental management system (EMS): Postulating the value of its adoption to organizational learning in hotels. *International Journal of Contemporary Hospitality Management*, *27*(6), 1233–1253. https://doi.org/10.1108/IJCHM-01-2014-0045
16. Lebe, S. S., & Milfelner, B. (2006). Innovative organisation approach to sustainable tourism development in rural areas. *Kybernetes*, *35*(7/8), 1136–1146. https://doi.org/10.1108/03684920610675139
17. Miththapala, S., (Chandi) Jayawardena, C., & Mudadeniya, D. (2013). Responding to trends: Environmentally-friendly sustainable operations (ESO) of Sri Lankan hotels. *Worldwide Hospitality and Tourism Themes*, *5*(5), 442–455. https://doi.org/10.1108/WHATT-05-2013-0027
18. Nunnally, J. C. (1978). *Introduction to Psychological Measurement*. New York: McGraw-Hill.
19. Pejic Bach, M., Zoroja, J., & Merkac-Skok, M. (2014). Social responsibility in tourism: system archetypes approach. *Kybernetes*, *43*(3/4), 587–600. https://doi.org/10.1108/K-09-2013-0195
20. Ryu, K., Han, H., & Kim, T. H. (2008). The relationships among overall quick-casual restaurant image, perceived value, customer satisfaction, and behavioral intentions. *International Journal of Hospitality Management*, *27*(3), 459–469. https://doi.org/10.1016/j.ijhm.2007.11.001
21. Steger, U. (2000). Environmental management systems: Empirical evidence and further perspectives. *European Management Journal*, *18*(1), 23–37. https://doi.org/10.1016/S0263-2373(99)00066-3
22. Stipanuk, D. M. (1996). The US lodging industry and the environment – a historical view. *Cornell Hotel and Restaurant Administration Quarterly*, *37*(5), 39–45. https://doi.org/10.1177%2F001088049603700522

23. Teng, C., Lu, A., & Huang, T. (2018). Drivers of consumers' behavioral intention toward green hotels. *International Journal of Contemporary Hospitality Management*, *30*(2), 1134–1151. https://doi.org/10.1108/IJCHM-04-2017-0203
24. Thompson, Z. G., & Barton, M. A. (1994). Ecocentric and anthropocentric attitudes toward the environment. *Journal of Environmental Psychology*, *14*(2), 149–157. https://doi.org/10.1016/S0272-4944(05)80168-9
25. Tilikidou, I., & Delistavrou, A. (2015). Preferring green and rejecting "unethical" hotels. *EuroMed Journal of Business*, *10*(3), 285–296. https://doi.org/10.1108/EMJB-09-2014-0026
26. Tzschentke, N., Kirk, D., & Lynch, P. A. (2004). Reasons for going green in serviced accommodation establishments. *International Journal of Contemporary Hospitality Management*, *16*(2),116–124. https://doi.org/10.1108/09596110410520007

Received: 5 May 2020; Sent for revision: 18 May 2020; Accepted: 28 May 2020

Original Scientific Paper

UDC: 338.48-6:641/642(437.3)
doi: 10.5937/menhottur2001079B

Changes in gastronomy

Pavla Burešová[1], Katarína Mrkvová[2], Branislav Dudić[3*]

[1] College of Business and Hotel Management, Department of Gastronomy and Hotel Industry, Brno, Czech Republic
[2] College of Business and Hotel Management, Department of Tourism and Hotel Industry, Brno, Czech Republic
[3] Comenius University, Faculty of Management, Bratislava, Slovak Republic, and University Business Academy, Faculty of Economics and Engineering Management, Novi Sad, Republic of Serbia

Abstract: The paper provides an insight into factors influencing developments in gastronomy and catering services. The aim of the text is to identify the key elements affecting contemporary catering services including attendance at catering establishments, preferences in food selection, use of lunch menus, and adherence to hygiene standards in operational practice in food production. The first part of the survey shows the issue of restaurant attendance during the working week. The second part examines the frequency of restaurant visitors, restaurant attendance at weekends and also the factors that influence the choice of food. The representative sample consists of the Czech National Panel, with respondents above 15 years of age. The data were obtained from 504 respondents (N 504). The third part of the investigation meets the most important criteria that affect the quality of services – hygiene standards in gastronomy focused on compliance with hygiene standards from the perspective of hygiene control authorities. Factors for deciding the choice of food in restaurants and the frequency of restaurant visits were also examined.

Keywords: lunch menu, preferences in food selection, eating in restaurants, hygiene standards
JEL classification: L83, Z32

Promene u gastronomiji

Sažetak: Rad obezbeđuje uvid u faktore koji utiču na razvoj gastronomije i ugostiteljskih usluga. Cilj rada je da se identifikuju ključni elementi koji utiču na savremene ugostiteljske usluge, uključujući motive za posetu ugostiteljskim objektima, preferencije prilikom izbora hrane, upotrebu menija i pridržavanje higijenskih standarda u operativnoj praksi u proizvodnji hrane. Prvi deo istraživanja se bavi problematikom posećenosti restorana tokom radne nedelje. Drugi deo istraživanja ispituje učestalost poseta restoranu, posećenost restorana vikendom i faktore koji utiču na izbor hrane. Reprezentativni uzorak čini Češki nacionalni panel, odnosno ispitanici stariji od 15 godina, sa ukupnim brojem obrađenih podataka od 504 ispitanika (N 504). Treći deo istraživanja se odnosi na ispunjavanje najvažnijih kriterijuma koji utiču na kvalitet usluga – higijenski standardi u gastronomiji iz ugla organa za higijensku kontrolu. Ispitivani su i faktori koji određuju izbor hrane u restoranima i učestalost poseta restorana.

* branislav.dudic@fm.uniba.sk

Ključne reči: restorantski meni, preferencije u izboru hrane, ishrana u restoranima, higijenski standardi
JEL klasifikacija: L83, Z32

1. Introduction

Gastronomy is understood from the point of view of the historical development of the human diet, connecting nations and communities with creativity, participants' abilities, raw materials, traditions, methods and recipes, new technologies that contribute to and influence the human diet. Gastronomy is a discipline that involves many aspects. Ingredients are the basis of every diet, which, together with the methods of preparation, create a recipe for dishes with a unique taste and design. Everything takes place in an authentic environment that is shaped by terroir (climatic, geographical conditions and human skills). Cuisine is connected with local conditions, techniques, technologies, but the skills and abilities of the workers are the basis of success. Mass gastronomy cannot do without social and hygienic standards (Beranova, 2005; Burešová, 2014).

In his work "About gourmet and physiology of taste" Jean Anthelme Brillat-Savarin (1755-1826) describes the importance of gastronomy: "The fates of nations depend on how they are nourished" (Brillat-Savarin, 1994, p. 125).

The key subject of the research is to map the reasons and frequency of attendance at gastronomic establishments. The main objective of the research is to determine whether they comply with the standards that affect the quality of catering services - catering facility hygiene. The hypothesis is that restaurants fully comply with hygiene standards.

The introductory considerations of gastronomy are followed by the development of gastronomy through history as well the as analysis of the current state as a part of the theoretical background. The analytical part provides a view of the current nutrition habits of the Czechs during the working week with a focus on catering services. This is followed by a survey about eating in restaurants during weekends and customer priorities that influence the choice of catering establishments. Other factors include customer safety connected with compliance with hygiene standards in catering services identified through inspections focused on hygiene compliance.

2. Theoretical background

2.1. Development of gastronomy throughout history

The human diet has developed over millennia and has been influenced by traditions, geographical conditions, politics and culture. Fire has been used in food preparation for thousands of years and has fundamentally changed the human diet (Beranová, 2005; Wrangham, 2010).

Although open fires are still a way to prepare food, many other sophisticated technologies and methods are used today. Eating together has been an important part of physical and spiritual life that has shaped the culture of communities. The word "food" is used in a metaphorical sense more than 230 times in the Bible. Ancient civilizations used food as a pleasurable and effective means of facilitating negotiations of agreements and contracts (Morse, 1999).

Changes in diet were manifested differently in individual time periods. In prehistoric times, the diet included porridges of crushed corn, potages and grain pancakes (bread). Salt and wild herbs were used for seasoning food and the diet included a combination of meat and vegetable dishes (Beranová, 2001).

In antiquity, the diet included fruits and vegetables in addition to meat and cereals. A favourite meat dish was poultry – geese, ducks and hens. These times are known for organizing opulent celebrations and feasts with many sorts of delicacies, and people started to use various tableware made of precious metal. In the 1st century AD Marcus Gavius Apicius created a recipe book called "De re coquinaria". The author was a chef and collector of recipes as well as a celebrated gourmet and the founder of the first culinary school. He was well known for preparing perfect sauces among other things (Sitwell, 2014).

The Roman diet comprised a diverse cuisine including game, pork, poultry, fish and seafood as well as various sorts of vegetables (broccoli, asparagus, lettuces, artichokes, leek, coriander etc.). Individual recipes were named after popular significant personalities, e.g. the piglet à la Marcus Aurelius. The Romans had their own bread recipe which has survived to the present day prepared with olives, herbs, spices and cheese. The Roman Consul and General Lucullus was renowned for fine dining. What distinguished his spectacular festive feasts from other was the preparation of meals and the service. Later, at the end of the 15^{th} century, some new raw food products were imported to Europe from America and became essential for the cuisine of particular regions in Italy and Spain. Catherine de Medici, the Princess of Tuscany (1519-1598) contributed greatly to the glory of French gastronomy because she introduced to the French Court new raw food products, recipes, techniques, methods of food preparation and service, together with fine dining.

Later, French culinary masters (Escoffier, Carême) reorganized the kitchen workplace, introduced rules – personal and operational hygiene, changed the principles of menu creation, including recipe formulations, methods and techniques. In doing so they significantly influenced the further development of gastronomy in ways that have persisted to the present day (Burešová, 2014).

Culinary techniques and methods have evolved over time, including kitchen equipment, kitchenware and meal serving. An open fireplace has been used to heat food from the beginnings of gastronomy (Wrangham, 2010). Large pieces of meat were roasted in the fireplace and cooked food was prepared in pot-like kettles, which hung above the fireplace. Pies and bread were baked in wood heated furnaces (Beranová, 2005; Feyfrlíková, 2015; Pešek, 2007).

An important part of the human eating experience is the social environment of when and how food is consumed, including the rituals and customs of the individual societies. From the beginning, diet has been influenced by a region´s local traditions, culture ethnicity and history. The basis of good food preparation has always been the origin of the food, the freshness of ingredients and the processing methods (recipe, culinary methods, suitable techniques and technologies). In the 18th century the cooks knew that the best recipe is the one that uses the right proportion and quantities of the individual ingredients (Beranová, 2001; Brillat-Savarin, 1994; Sitwell, 2014).

Throughout human development eating has adapted to geographical, cultural, social and political changes. From the perspective of economics, entrepreneurship is the main tool for economic development of each state (Mocarnikova et al., 2018). The emphasis is on the sensory characteristics of food – appearance, flavouring and the taste of meals. Today´s menu card builds on traditional procedures of hygiene standards which were known in aristocratic residences as early as the Middle Ages. The standards for creating menus are based on natural elements: the element of earth was represented by bitter taste, the element of water by acidity, wind by sweetness and bitterness, and fire by the taste of salt and pepper (Hrdlička, 2000; Pešek, 2007).

2.2. Analysis of the current state

Over the past thirty years there have been radical changes in the field of gastronomy and many new trends and new concepts have merged. At present traditional (regional) gastronomy is complemented by many global and ethnical elements. Today´s gastronomy builds on the principles of a gastronomic trend called “nouvelle cuisine” which emerged in France in the 1970s. (Sitwell, 2014, p. 205). New culinary methods and improved technologies of food production and preservation are constantly emerging, in today´s technology enabled environment e.g. shock freezing, vacuum cooking, induction cooking. New chefs, managers and the media focus on wealthy clientele who want to “stand out from crowd” and prefer traits such as leanness, lightness, health, pleasure and originality. We can meet consumers with many different gastronomic preferences. Sociologists have divided them into categories, for example according to their consumption of ready-cooked food. Conservative consumers do not believe in new trends (Alimpić & Perić, 2019; Hajiyeva, 2018) and they prefer local and traditional food. Intellectually focused consumers emphasize price and nutritional value. Ecologically and health-oriented consumers prefer bio food (Seočanac, 2019). Gourmet consumers are those who “eat out” and look for food and drink in accordance with “the soil” (Freedman, 2008).

Various types of cooker technologies are available, induction, glass-ceramic, electrical or gas and open fire. Food properties such as its strength, rigidity, fragility, flavour, consistency, shape and temperature are essential to the taste sensation of foods and drinks (This, 2006).

The design of dishes for serving foods and drinks has also changed – we use small and large plates, divided plates, and various layered arrangements of plates and bowls of various shapes (squared, round, oval) etc. Over the last decade there has been growing interest in gastronomy which is reflected in the media. Marketing – involves the creation of valuable, relevant and consistent content to acquire and retain customers (Porázikovà & Vojtechovský, 2016). Chefs and recipes are the subject of many books, TV shows and sharing on social media. The convenient use of marketing tools helps to promote this way of entrepreneurship (Peracek et al., 2017). The attitude to food consumption is changing and it influences the number of people that visit gastronomic establishments.

3. Materials and methods

The objective of this study is to map the key aspects that influence current catering services. A sub-objective is the comparison of selected elements at the menu level of catering services and the prerequisites for potential development. The representative sample consisted of the Czech National Panel, respondents aged 15+. The data were obtained from 504 respondents (N 504).

The primary and secondary data come from the quoted literary sources, studies and available information. This is followed by the comparative analysis of the frequency and popularity of restaurants and cafés using the latest data by the prestigious research agencies Nielsen Atmosphere, Incoma Gfk, Edenred. These were then summarized and transferred into tables. The analysis relates to the comparison of lunch purchases in gastronomic establishments on weekdays and at weekends. Food choice decision-making factors and the frequency of food visits in restaurants were also examined.

Hygiene standards were analysed, compared, demonstrated and evaluated via information available on regional public health network websites. The aim was to detect the most common non-compliance issues in hygiene observance and HACCP rules in contemporary gastronomical practice.

4. Results

The first part of the analysis focuses on the attendance at gastronomic establishments in order to buy available lunch menus. Researching eating habits during working hours implied obtaining responses across Europe. The second part examines the frequency of restaurant visitors, restaurant attendance at weekends and researching the factors that influence food choice decisions. The third part examines meeting hygienic standards in gastronomy.

The research monitored respondents throughout Europe who consume food during their working hours. The results showed that almost half of the examined Czechs eat dinners in restaurants (49%) and 5% of them eat at fast food facilities. On the other hand, 60% of Belgian working people and 59% of Germans eat in some kind of eating establishment. In the Czech Republic 30% employees started to use the space reserved for eating during last year as well. On the other hand, 20% of Slovak people are leaders in eating at the working table (Edenred, 2020).

Table 1 shows the percentage of Czech people aged 15+ (total 504 respondents) who used catering services for eating during an ordinary working week. Around a quarter (24%) of the respondents never eat in restaurants. The same number have lunch in restaurants during a working week (11% of them every day and 13% of them almost every day). The other 26% eat in restaurants several times a month and the same number rarely eat there.

Table 1: How often are restaurants used for eating lunch during working weeks

Frequency	**Precentage (%)**
Several times a month	26
Rarely	26
Never	24
Every day	13
Almost every day	11

Source: Nielsen Atmosphere, 2019

Table 2 shows the factors which influence the choice of lunch venue – as monitored by Edenred Resource company. The majority of respondents choose their lunch venue according to what they want to eat at the time (80%), almost half of the respondents (47%) are influenced by the speed of service and only 44% of the respondents are interested in the nutritional value. A quarter of the respondents are influenced by the size of portions. The least important is the price of food for the consumers (with regards to lunch menus that are still very popular in the Czech Republic).

Table 2: What is the priority in the choice of lunch in restaurants

Factors influencing the choice of lunch	Precentage (%)
What I want to eat	80
The speed of service	47
Nutritional value	44
The size of a portion	25
The price	20

Source: Edenred, 2020

Previous research shows sizable restaurant attendances during lunch time because the Czechs are used to eating lunch menus. The following data were reported by the Gfk agency using an interview survey method (according to the task of the Ministry of Regional Development) on a representative sample of respondents over 18 years of age, to record restaurant attendance. The respondents did not participate in any other survey in the period of six months and they went for lunch or dinner to a catering facility in the Czech Republic which they chose. Table 3 shows frequency of going to restaurants for lunch or dinner, indicating that 43% of respondents visit restaurant once a week, while only 19% attend restaurants several times a week.

Table 3: The frequency of going to restaurants for lunch or dinner

Frequency	Precentage (%)
Minimum once a week (less often)	43
Once a month	25
Once in two weeks	24
Several times a week	19

Source: Incoma Gfk, 2016

Table 4 shows restaurant attendance during weekends. Nielsen Atmosphere also analysed how and where the Czechs go to eat. The surveyed panel shows the answers of 504 respondents: only 3% of respondents go to restaurants every weekend, 58% of them rarely go to restaurants, 24% go several times a month and less than 15% never go to restaurants. Working days show other results.

Table 4: Lunch in restaurants during weekends

Frequency	Precentage (%)
Every weekend	1
Almost every weekend	2
Several times a month	24
Rarely	58
Never	15

Source: Nielsen Atmosphere, 2019

Contemporary gastronomy is based on uniqueness, originality, brand, safety and quality. Hygiene is the key for ensuring a safe meal and a quality service. Compliance with hygiene standards is an essential component of the production process. The defined principles of hygiene for catering facilities are part of mandatory regulations, yet in practice there are problems that present a public health hazard and represent a safety risk for customers. According to the research of Incoma agency 93% customers prioritize cleanness and hygiene standards in their choice of a restaurant (Incoma, 2016). Typical examples of violations of the hygiene rules can be found in audits carried out under the supervision of regional hygiene offices. From January to November 2018 the regional hygiene offices carried out 20713 audits in total at 18337 catering facilities including restaurants, diners, cafés, food factories, canteens and cafeterias (Table 5).

Table 5: Hygiene audition results in catering facilities January – November 2018

Number of audited facilities	18337
Number of controls	20713
Closing of facilities	34
Suspension of operations	113
Sanitations	334
Disposals of food	106
Type and number of measures imposed	587
Number of proposed penalties	5480
Height of proposed penalties	19.710.700 CZK

Source: MZCZ, 2019

According to the inspection results the most frequent shortcomings are: negligent cleaning and operational inconsistencies with the system based on HACCP operations. Other failures are linked to the facility´s building and technical shortcomings, indications of health problems after food consumption, labelling of ready-to-cook and semi-finished food, the permanent procedures based on HACCP principles, and the food expiry date (HSHMP, 2019; KHSJMK, 2019; KHSČK, 2019).

5. Discussion

The research objectives were focused on the frequency and reasons for visiting restaurants. Several studies analysed the frequency of restaurant visits (Bhutani et al., 2016; Close et al., 2016) and came up with similar findings as ours. In these studies, the attendance in sit-down restaurants was found to be between 40% and 60%, once again confirming our results. In comparison with the results from the USA where 37.2% respondents were using fast-food services (Close et al., 2016), our results showed that only 5% of respondents visit restaurants that offer that kind of services. The main objective of the research was to determine whether restaurants meet hygiene standards that can affect the quality of catering services. It was assumed that the restaurants fully comply with hygiene standards. The hypothesis was not confirmed by the hygienic audit.

The results of the survey show that customers perceive quality and freshness as key factors in the choice of restaurant (Incoma, 2016; Nielsen Atmosphere, 2019). Kitchen philosophy is the reflection of each chef´s personality. The originality of recipes lies in using high-quality seasonal (local) raw materials, and food preparation techniques. There are changes in new technologies, marketing and offerings connected with online sales and massive use of social networks. One of the aspects which influence the restaurants attendance (according to research) is an attractive menu which attracts consumers, quick service, nutritional value, and portion size. The aspect of price has moved to the last place.

According to researches by Incoma (2016) and Nielsen Atmosphere (2019), it can be concluded that attractive menus, distinctive choice of food and drinks, healthiness of food, and fast customer service are an indication of high quality. Hygiene audits of catering facilities reveal deficiencies in the protection of raw materials against contamination, storage of food and raw materials for production, general building and technical requirements for manufacturing facilities, operational hygiene, marking unfinished meals, and adhering to HACCP procedures.

The main aim of the hygiene rules is to ensure a high level of consumer protection with regards to food safety. Operators must ensure food safety at all stages of handling food, substances, raw materials, semi-finished products. The direct responsibility of the operator for the safety of food is emphasized – the operator must be able to demonstrate the awareness of potential risks and at the same time effective management of the risks – e.g. the practical implementation of any of the HACCP-based principles. Emphasis is placed on compliance with temperature chain requirements – what has to stay warm (or cold) must remain warm (or cold). There is also a requirement to manage traceability, i.e. the ability of the operator to prove the origin of the processed raw materials by delivery notes or invoices. Legislation determines the minimal requirements and conditions for working with food. Compliance requirements should be checked not only by official audits but also by senior executives who are obliged to do it. This means the implementation of self-evaluation (self-check) system. Operators of catering facilities should implement and carry out safety food programmes and procedures based on HACCP rules (Burešová, 2014; Voldřich & Jechová, 2006).

The foundation of contemporary and future gastronomy is an attractive menu based on high quality raw materials, suitable technologies, skilled chefs and hygiene standards aimed at safety and consumer satisfaction. There are changes in digital technologies which can influence the attractiveness of the offer, facilitate or simplify processes, and support the patronage of catering venues. According to HOREKA the new trends of paying by QR codes will replace cash payments. New concepts for producing and distributing food are developing through shared services like Uber Eats and Dotykačka (touch-on). Other technological benefits are applications such as JIDLOV where the aim is to sell unused food and meals from shops, restaurants, bakeries to avoid wastage. The concept of mono-thematic restaurants is developing, and they are successful because they handle their products well and have low operating costs. In the field of beverage gastronomy new drinks are being created to meet the needs of customers. Special kinds of beer are gaining popularity together with spirits and local fermented drinks and also new wine styles with low alcohol, flavoured wines etc. Tea (quality tea leaves) is seeking a place in bars, restaurants and tearooms. Coffee shops are increasingly offering alternative sorts of coffees in addition to espresso. New roasting companies that roast quality selected coffee from different places of origin (terroir) are emerging (Horeka, 2019).

6. Conclusion

The skills that the man has allow growing and cultivating different foods depending on the environment in which it is consumed. Techniques, recipes, technologies, standards and raw materials for food preparation are changing due to cultural, social, global and economical factors. Today´s diet is influenced by many factors ranging from traditional to multicultural influences, fashion trends and scientific knowledge. The sensory perception of food is the key factor in the choice and evaluation of food. This is linked to the consumer's preferences in food choice as well as the choice of eating facility. The aim of the study was to identify factors which influence contemporary gastronomy. The results of the analysis show the current situation regarding patronage of gastronomical facilities which is very high in the Czech Republic compared to other countries, mainly due to the attractive offer of lunch menus. Monitoring and compliance with food hygiene standards in catering facilities form a part of mandatory regulations, although in practice there have been some problems of non-compliance that are hazardous to health and represent a safety risk for the customers, in food storage and meal preparation.

References

1. Alimpić, S., & Perić, N. (2019). Različiti oblici impulsivnog ponašanja potrošača [Different forms of consumers' impulsive buying behavior]. *Anali Ekonomskog fakulteta u Subotici*, *55*(42), 49–63. https://doi.org/10.5937/AnEkSub1942049A
2. Beranová, M. (2001). *Tradiční české kuchařky: jak se vařilo před M.D. Rettigovou* [*Traditional Czech cookbooks: How they cooked before M.D. Rettigovou*]. Praha, Czech Republic: Libri, 279.
3. Beranová, M. (2005). *Jídlo a pití v pravěku a ve středověku* [*Food and drink in prehistoric and medieval times*]. Praha, Czech Republic: Academia.
4. Bhutani, S., Schoeller, D. A., Walsh, M. C., & McWilliams, C. (2016). Frequency of eating out at both fast-food and sit-down restaurants was associated with high body mass index in non-large metropolitan communities in midwest. *American Journal of Health Promotion*, *32*(1), 75–83. https://doi.org/10.1177/0890117116660772
5. Brillat-Savarin, J. A. (1994). *O labužnictví: Fyziologie chuti: Kniha milovníků dobrých jídel*. [About gourmet: Taste physiology: A book of good food lovers]. Praha, Czech Republic.
6. Burešová, P. (2014). *Vybrané kapitoly z hotelnictví a gastronomie* [*Selected chapters from hotel and gastronomy*]. Praha, Czech Republic: Wolters Kluwer.
7. Close, M. A., Lytle, L. A., & Viera, A. J. (2016). Is frequency of fast food and sit-down restaurant eating occasions differentially associated with less healthful eating habits? *Preventive Medicine Reports*, *4*, 574–577. https://doi.org/10.1016/j.pmedr.2016.10.011
8. Edenred (2020). *Stravenky Ticket Restaurant, benefity, dárkové poukázky* [*Ticket Restaurant meal vouchers, benefits, gift vouchers*]. Retrieved February 28, 2020 from https://www.edenred.cz/
9. Feyfrlíková, M. (2015). *Kuchyně pozdního středověku* [*Late middle ages cuisine*]. Praha, Czech Republic: Grada Publishing.
10. Freedman, P. H. (Ed.). (2008). *Jídlo: dějiny chuti* [*Food: history of taste*]. Praha, Czech Republic.
11. Hajiyeva, L. (2018). The study of consumer preferences of young tourist. *Ekonomika*, *64*(3), 37–46. https://doi.org/10.5937/ekonomika1803037H
12. Horeka (2016). *Zpravodajství ze světa pohostinství* [*News from the world of hospitality*]. Retrieved November 27, 2019 from https://www.horekaweb.cz/category/zpravodajstvi/kavarny/
13. Hrdlička, J. (2000). *Hodovní stůl a dvorská společnost: Strava na raně novověkých aristokratických dvorech v českých zemích (1550-1650)* [*Banquet table and court society: Diet at the early modern aristocratic courts in the Czech lands (1550-1650)*]. České Budějovice.

14. Hygienická stanice hlavního města Prahy (HSHMP) (2019). *Kontroly stravovacích zařízení na území hlavního města Prahy v září 2019* [*Inspections of catering facilities in the City of Prague in September 2019*]. Retrieved October 25, 2019 from http://www.hygpraha.cz/dokumenty/kontroly-stravovacich-zarizeni-na-uzemi-hlavniho-mesta-prahy-v-zari-2019-4403_4403_425_1.html
15. Incoma GfK (2016). *HoReCa & Industry.* Retrieved October 26, 2019 from https://incoma.cz/hospitality-and-b2b/
16. *Krajská hygienická stanice Jihomoravského kraje (KHSJMK)* [*Regional hygiene station of the South moravian region*] (2019). Retrieved January 28, 2020 from http://www.khsbrno.cz/
17. *Ministerstvo zdravotníctva České Republiky (MZCZ)* [*Ministry of Health of the Czech Republic*] (2019). Retrieved October 26, 2019 from https://www.mzcr.cz/
18. Mocarnikova K., Mucha B., & Peracek, T. (2018). The importance and position of public company in the Slovak business law. *31st International-Business-Information-Management-Association Conference* (pp. 3494–3502). Milan, Italy.
19. Morse, K. (1999). *Biblická hostina: Pokrmy ze Svaté země* [*Biblical feast: Dishes from the Holy Land*]. Praha, Czech Republic: Volvox Globator.
20. *Nielsen Atmosphere* (2019). Retrieved October 25, 2019 from https://www.nielsen-admosphere.eu/
21. Peracek, T., Noskova, M., & Mucha B. (2017). Special characters of family businesses in the Slovak Republic. *24th International Scientific Conference on Economic and Social Development - Managerial Issues in Modern Business* (pp. 260–266). Warsaw, Poland.
22. Pešek, P. (2007). *Ruská kuchyně v proměnách doby: Gastro-etno-kulturní studie* [*Russian cuisine in the changing times: gastro-ethno-cultural study*]. Červený Kostelec: Pavel Mervart.
23. Porázíková E., & Vojtechovský J. (2016). *Trends in e-business and their application in development of SMEs in Slovakia*. Praha, Czech Republic: Newton College.
24. Seočanac, M. (2019). Are LOHAS consumers a perspective tourism segment? *Economics of Sustainable Development*, *3*(2), 29–38. https://doi.org/10.5937/ESD1902029S
25. Sitwell, W. (2014). *Dějiny jídla ve 100 receptech* [*History of food in 100 recipes*]. Praha, Czech Republic: Argo.
26. This, H. (2006). *Molecular gastronomy: Exploring the science of flavor.* New York: Columbia University Press.
27. Voldřich, M., & Jechová, M. (2006). *Bezpečnost pokrmů v gastronomii – malé a střední provozovny* [*Food safety in small and medium-sized establishments*]. Praha, Czech Republic: České a slovenské odborné nakladatelství.
28. *Výsledky kontrol stravovacích zařízení KHS, leden-listopad 2018 (KHSČK)* [*Results of inspections of KHS catering establishments, January-November 2018*]. (2019). Retrieved November 1, 2019 from https://www.mzcr.cz/Verejne/dokumenty/vysledky-kontrol-stravovacich-zarizeni-khs-leden-listopad-2018_16462_3365_5.html
29. Wrangham, R. W. (2010). *Catching fire: How cooking made us human.* London, United Kingdom: Basic Books.

Received: 31 March 2020; Sent for revision: 16 April 2020; Accepted: 11 May 2020

Review Article

UDC: 338.48(497.5)
doi: 10.5937/menhottur2001089P

Analysis of tourism supply of the city of Zagreb and perspectives of its future development

Milena Podovac[1*], Danijel Drpić[2], Vedran Milojica[3]

[1] University of Kragujevac, Faculty of Hotel Management and Tourism in Vrnjačka Banja, Serbia
[2] Polytechnic University in Rijeka, Croatia
[3] PhD student, University of Rijeka, Faculty of Tourism and Hospitality Management Opatija, Croatia

Abstract: The specificity of city tourism is reflected in the fact that this form of tourist product enables meeting the needs of tourists with different characteristics, needs and motives by combining existing tourism resources and contents into the city tourism supply. Being the capital of the Republic of Croatia, Zagreb is a significant tourist destination, which has the potential for city tourism development with the aim of improving the competitiveness of this destination in the tourism market. In this paper, the authors performed an analysis of theoretical knowledge about the concept, significance and characteristics of city tourism, an analysis of current tourism supply of the city of Zagreb and of quantitative indicators of tourism development in this city. Based on the analysis of tourism supply, strategic guidelines for improving the development of city tourism in the city of Zagreb have been defined.

Keywords: city tourism, city, city of Zagreb, competitiveness, tourist destination
JEL classification: L83, M21

Analiza turističke ponude grada Zagreba i perspektive budućeg razvoja

Sažetak: Specifičnost gradskog turizma ogleda se u činjenici da ovaj oblik turističkog proizvoda omogućava zadovoljenje potreba turista različitih obeležja, potreba i motiva kombinovanjem postojećih turističkih resursa i sadržaja u ponudu gradskog turizma. Kao glavni grad Republike Hrvatske, Zagreb predstavlja značajnu turističku destinaciju koja poseduje potencijal za razvoj gradskog turizma sa ciljem unapređenja konkurentnosti ove destinacije na turističkom tržištu. U radu je izvršena analiza teorijskih saznanja o pojmu, značaju i karakteristikama gradskog turizma, analiza postojeće turističke ponude grada Zagreba, kao i kvantitativnih pokazatelja razvoja turizma u ovom gradu. Na osnovu analize turističke ponude, definisane su strateške smernice za unapređenje razvoja gradskog turizma u gradu Zagrebu.

Ključne reči: gradski turizam, grad, grad Zagreb, konkurentnost, turistička destinacija
JEL klasifikacija: L83, M21

* milena.podovac@kg.ac.rs

1. Introduction

City tourism is an innovative tourism product which utilizes the existing tourism resource for creating new tourism supply with the aim to provide a competitive position in the tourism market for the cities. For certain cities, tourism represents a significant novelty after great changes in the economic and social system of the city. For the last few years, tourism has represented an activity contributing to the development of the total service sector bearing in mind a stable influx of tourists in the cities throughout the whole year (Smolčić-Jurdana & Magaš, 2006).

The significance of cities as tourist destinations reflects their multi-functional character, specifically their capability to satisfy various needs, motives and preferences of tourists. Cities attract a large number of people who come to visit their relatives and friends. Besides that, cities are attractive destinations for those tourists attracted by various types of event and attractions which are not represented in other destinations. This advantage is used by the city's destination management with a goal of improving tourism supply through the introduction of new facilities and attractions (Smolčić-Jurdana, as cited in Ivanović et al., 2015). “In addition to meeting the needs of different segments of tourists, cities as tourist destinations are made up of a large number of elements, each representing an individual tourism product” (Kolb, 2006, p. 5).

The city of Zagreb possesses a significant potential for achieving a more competitive city tourism supply. The basis of the development of Zagreb city tourism supply includes natural and anthropogenic resources, developed accommodation supply, a large number of tourist events and other facilities. In order for the city of Zagreb to achieve and maintain a competitive position in the development of city tourism, it is necessary to undertake constant adaptation of its tourism supply according to the needs of contemporary tourists who expect greater value in relation to the price they are paying for their travel. Also, the success of Zagreb as a destination of city tourism depends on monitoring trends in the development of this tourism form in the European and world capitals and applying best practices with the goal of improving the current tourism supply. The success of the city of Zagreb in the development of its tourism supply can contribute towards achieving competitiveness of total tourism industry of the Republic of Croatia. The goal of this paper is to represent the theoretical characteristics of city tourism as well as the analysis of current tourism supply of Zagreb and determining the perspective of future development of its tourism supply. In this paper, authors analyzed tourism supply of the capital city of the Republic of Croatia, the city of Zagreb. Based on the determined findings, the guidelines for tourism supply improvement are proposed.

2. City tourism as an element of a contemporary destination's supply

Over the years, contemporary tourism has been registering significant changes within its structure; although Bathing tourism (classical 3S-Sun, Sea and Sand supply) is still holding a strong place in today's tourism flows, specific forms of tourism are on the rise (Alkier et al., 2009; Ivanović et al., 2016a), and city tourism is most definitely one of them. Valls et al. (as cited in Pasquinelli & Bellini, 2017) confirm that in their research by stating that the holidays spent in the seaside that started registering strong growth in the 1960s started slowly decreasing and city tourism started growing. All this occurred as a result of the improvement of connectedness between European cities due to the liberalization of air transportation in the European Union which had both quantitative and qualitative impact on travelers’ flows. Due to the low-cost carriers as a much cheaper way of travel, tourists were able to start visiting various destinations in a much affordable way. It can be assumed that this was one of the reasons that enabled them to start traveling more frequently on multiple shorter holidays throughout the year.

Although it has developed massively in the last decades of the 20th century, city tourism is not a new phenomenon (Stanić Jovanović, 2016). Law (2002) emphasizes that city tourism was significantly neglected in the past research due to the fact that the primary focus was made on Bathing tourism and the development of coastal destinations. Also, researchers were experiencing problems in discerning tourists from the local inhabitants in order to estimate the significance of tourism for city development. According to Štetić et al. (2014), "significant attention was given to the development of city tourism by the city managers and marketing experts during the eighties of the twentieth century when grand industrial cities started declining" (p. 145). City tourism is based on their economic functions by which the significance of the business sector, grand exhibition and fair capacities, transport connections, etc. is emphasized. In the meantime, an evolution development of the cities occurred, as well as changes in managing the space within them, which resulted in redefinition of the significance of tourism for the cities´ development. It also resulted in regeneration and redesigning of old city cores, neighborhoods, and abandoned industrial zones, all with a goal of attracting investors who will build establishments and facilities intended for tourists. Podovac (2019) states that cities are multi-functional destinations in which tourists can satisfy a greater number of tourist needs, and various tourism forms that occur in cities can be included in city tourism supply . City tourism has become a complex object of scientific and professional research for some years now, which has made a significant contribution towards further improvements of city tourism supply aiming it improving the tourism supply of an entire region or even a country. The following authors present the most recent findings in the area of city tourism. Ivanović et al. (2015) emphasize the role of city tourism as a specific form of tourism whose particularities contribute to the achievement of destination's competitiveness in the tourism market and successful placing of destinations supply in the international tourism market. The demand for city tourism product is registering a continuous growth on daily basis. This is conditioned by destinations possessing specific tourism resources which enable tourism supply creators to form a unique tourism supply which will contribute in achieving city's and the state's recognizability on in the international tourist tourism market, as well as forming a recognizable image and brand which guarantees visitors recurring quality, and experiencing value and experience for the money. All this will enable successful competition in the international tourism market.

Bearing in mind the importance of city brand development, Folgado-Fernandez et al. (2015) researched the extent of contribution of cultural heritage, events, tourist attractions, and infrastructure in developing brand images of cities. The research results show how these resources contribute significantly, but also at the same time differently in forming city brand image. The results have provided destination managers new insights on how to use each resource in the best possible way to develop a strong city brand as well as how to improve their marketing activities and strategies for their cities. Galdini (2007) analyzed on the example of the city of Genoa how undertaken investments in urban regeneration can result in new positive economic effects, as well as in improving the quality of life of local residents. She attempted to examine both the benefits and the costs that tourism has on host´s environment, economies and the societies. Based on the findings, she analyzed the strategic conditions that can contribute towards revitalizing the territory. On the example of Genoa she showed how the city regained a new identity and role in the Italian economic and social system after the crisis. Tokarchuk et al. (2016) focused on determining the effect of city tourism on the well-being of urban residents by analyzing the effects of tourist nights spent in the centers of cultural tourism on and life satisfaction of city residents. Besides a significant theoretical contribution, the results of empirical research enabled the authors to propose appropriate policy implications with a goal of contributing towards further development of city tourism as well as improving life quality of local residents.

As can be seen from the above, various researches have undertaken research in city tourism, and one thing can be distinguished as common to all of them: they are all aimed towards determining ways and possibilities of improving the current state of city tourism supply and rethinking new directions of the development of new elements of tourism supply. Podovac (2019) emphasizes in her work that "the tourism development has been recognized and used as the means of economic growth and city development, which also contributes significantly towards the increase of employment and improvement of life quality of the local population" (p. 29). Tourism development in cities influences all segments of city functioning due to which complex relations between tourism and other forms of economic activities are established on the city level. Besides that, tourism influences the city´s cultural and social development as well, in the sense of tourists being able to get introduced with the destination´s culture and tradition, language, gastronomic delicacies, and other things. The advantages are multiple. However, in order to be able to develop a successful and competitive city tourism supply, tourism supply developers need to pay particular attention to adapting to the contemporary market trends while at the same time making an effort in preserving a city's own authenticity and tradition which separates a certain city as a tourist destination on the tourist market.

3. The analysis of the city of Zagreb tourism supply

The city of Zagreb is the capital of the Republic of Croatia, and an attractive destination in which tourism is one of the leading economic activities. Zagreb is situated between the mountain Medvednica and the river Sava covering the surface of about 641 km². The total population of the city of Zagreb amounts to approximately 790,011, specifically 18.5% of the total number of inhabitants of the Republic of Croatia (City of Zagreb, City Office for the Strategic Planning and Development of the City, Department of Statistics, 2020). As an economic, political and cultural center of the Republic of Croatia, the city of Zagreb is extremely important for the total development of the country.

The city of Zagreb bases its tourism supply on the richness of natural and anthropogenic resources, developed accommodation, significant number of events and other facilities intended for tourists. Zagreb possesses significant natural resources that are suitable for tourism development. Considering its position in between Northern and central Croatia, more precisely in between county of Zagreb and county of Krapina-Zagorje, its geographical position is extremely suitable. Climate characteristics are largely dependent on the relief, altitude and other factors. Zagreb is characterized by a moderate continental climate with moderate temperatures during summer and winter (City Office for Economy, Energetics and Environment protection, 2015). Significant tourist attractions are represented by park surfaces of the city of which it is necessary to point out the Botanical garden, Maksimir Park, the ZOO of the city of Zagreb, etc. Natural landscapes of the city of Zagreb are characterized also by the large number of viewpoints which enable a complete experience for tourists Lotrščak Tower, Sljeme, etc.) (Official website of Tourist Board of the city of Zagreb, 2020b).

The city of Zagreb is a very important hub of European traffic corridors which pass throughout the city (Official website of City of Zagreb, 2011). In the city of Zagreb, all forms of transport have been developed, except water transport due to the lack of navigable water surfaces (Department of Spatial Planning of the city of Zagreb, 2013). Zagreb is the hub for European transport corridors. Road and railway corridors pass through Zagreb: X (Salzburg - Ljubljana - Zagreb - Belgrade - Thessaloniki) and Vb (Rijeka - Zagreb -

Budapest) (Official website of City of Zagreb, 2017). In the Republic of Croatia, railways are divided into those of great significance for international traffic, then for regional and local traffic. In the city of Zagreb, the railway traffic is organized in a way that all transit trains pass through the main station which is the starting and final one for all the local trains. The total length of corridor of railways is 141.13 km, of which 137.37 km are the main ones (Department of Spatial Planning of the city of Zagreb, 2013). Public transport in the city of Zagreb consists of streetcar, bus and railway transport, lifts, and cable cars. The length of the streetcar network amounts to 58 kilometres of two-track railways on which 19 transport lines are realized per day. The main problem of the development of streetcar traffic lies in the fact that approximately 40% of the rails is not physically separated from the individual traffic, due to which the speed and accuracy depend on the density of the same (Official website of City of Zagreb, 2017). Air traffic is exceptionally significant for tourism development of Zagreb. The carrier of development of air-traffic is the Airport Franjo Tuđman. In the year 2019, a total of 3,435,531 passengers were transported, which is a 3% increase in relation to the previous year. Also, 45,061 flights were made in 2019, which also registers a 3% increase in relation to the previous year. Airport Franjo Tuđman is connected with flights with 46 destinations, while in the regular air traffic flights are being done by 30 airlines (Franjo Tuđman Airport, Zagreb, 2019).

Besides the natural ones, the tourism supply of the city of Zagreb consists also from anthropogenic resources, of which it is necessary to emphasize the localities of cultural-historical heritage, notably sacral buildings (Church of St. Mark from the thirteenth century, Zagreb Cathedral dedicated to the Assumption of the Holy Virgin Mary, etc.), squares (Ban Josip Jelačić Square, Nikola Šubić Zrinski Square, the Square of the Republic of Croatia, etc.), architectural buildings (the Croatian National Theatre, the Croatian State Archives). A large number of cultural institutions participates in tourism development of the city of Zagreb by organizing events, concerts, exhibitions and other cultural contents (city theatres, galleries, archaeological museum, the Croatian Historical Museum, the Museum of Contemporary Arts, etc., the Croatian Music Institute, the City Library) (Official website of Tourist Board of the city of Zagreb, 2020a).

Table 1: A review of the number of beds* in the city of Zagreb in the period 2015-2019

Category	**2015**	**2016**	**2017**	**2018**	**2019**	**2019/2015**
Hotels and similar accommodation**	7,464	7,672	7,849	7,787	8,768	+17.47%
Hotels	7,365	7,087	7,253	6,632	7,738	+10.02%
Rooms for rent, apartments, studio apartments, holidays homes***	889	4,472	5,924	10,588	8,586	+865.8%
Hostels	2,304	2,165	2,286	2,346	2,197	-4.65
Camp sites	-	-	-	-	-	-
Other accommodation facilities****	4,062	800	-	-	-	-
Total	**14,719**	**15,109**	**16,059**	**20,721**	**19,551**	**+32.83%**

* Permanently available and extra beds
** Hotels, all-suite aparthotels, integral hotels, heritage hotels and special standard hotels
*** Rooms for rent, apartments, studio apartments, holiday homes in households and rural households
**** Overnight accommodation, inns offering accommodation services, mountain huts
Source: Official website of City of Zagreb (n.d.; 2020)

The data in Table 1 presents the number of beds in the city of Zagreb in the period from 2015 to 2019. In this period, the total number of beds registered a growth of 32.83%, within which the highest growth was registered for private accommodation (+765.80%). Numbers of beds in hostels registered a decrease (-4.65%). (Authors´ calculation according to: Official website of city of Zagreb, 2020). Catering supply of Zagreb includes facilities that provide services of preparation and serving food and beverages, as well as entertainment facilities (restaurants, clubs, jazz clubs, wine cellars, beerhouses, casinos, cocktail bars, etc.). The supply also includes a large number of shopping malls, sports and recreation facilities, wellness centers and other facilities (Official website of Tourist Board of the city of Zagreb, 2020b), which allows for tourists to spend quality time while staying in this destination.

4. Specific forms of tourism in the city of Zagreb

Special forms of tourism have been developed in Zagreb, such as cultural tourism, event tourism, business tourism and city tourism (city vacations) (Horwath HTL, 2011). Its rich cultural-historical heritage represents the basis for the development of cultural tourism as one of the most significant tourism products for this destination. There are 619 immovable cultural goods, as well as 294 movable cultural goods and intangible cultural heritage registered in the city of Zagreb that are entered in the Register of Cultural Properties of the Republic of Croatia (Official website of City of Zagreb, 2017). Although it is one of the primary forms of tourism in Zagreb, the further development of cultural tourism will depend on continuous improvement of supply in the form of new cultural attractions, innovative facilities and cultural events, as well as maintaining the existing cultural infrastructure and adequate promotion policy.

Event tourism supply of the city of Zagreb is based on theatre shows, concert and musical events, exhibitions, fairs and congresses, cultural and traditional, as well as sports and other types of events. The events are organized continuously throughout the entire year, and their diversity and uniqueness is capable of satisfying everyone´s taste. Manifestations held in Zagreb can be divided into three levels of attractiveness: international (the Zagreb Time Machine within which it is possible to see Dance Evenings – Zrinjevac, Upper Town in the Past, Promenade concerts, Folklore Performances, etc., Animafest, European University Games, International festival of Puppet Theatre, Zagreb Film Festival, etc.), regional (Zagreb Car Show, Zagreb Marathon, Floraart, Vintage Festival, etc.) and local (Night of Museums, folklore festival, St. Marks´ festival, Summer nights of EXIT Theatre, Amadeo festival, etc.) (Horwath HTL, 2016; Official website of Tourist Board of the city of Zagreb, 2020a). One of the events that has significantly contributed to the event tourism development as a part of city tourism of the city of Zagreb is most definitely the Advent in Zagreb. This event has been organized since 2010 until today and every year registers further growth and development which has resulted in it becoming a recognizable brand, all a result of strong and significant efforts made by the municipal authorities and offices, Concert Direction of Zagreb and the Tourist Board of Zagreb. During the Advent, visitors can experience numerous everyday activities and manifestations create a unique picture of the main city during the holidays. All this is accompanied by intensive marketing activities (Ivanović et al., 2016b).

Business tourism is also successfully developing in Zagreb due to the existence of a large number of accommodation capacities which possess adequate buildings and appropriate infrastructure for the organization of congresses and various forms of meetings, as well as congress centers and halls. Good traffic connection with the other countries on the European continent, stabile economic situation, development of scientific-research activity can be identified as non-tourist reasons for expansion of this tourism form. According to the data of

(International Congress and Convention Association, 2019) for the year 2018, Zagreb took 68th place with 41 held business events in the range with 465 cities on the international level. If taken into consideration that Croatia is ranked as 38th country on the world level with 108 held business events, it can be concluded that Zagreb is one of the most significant destinations for organizing business events on a country level. According to the data about the number of held business meetings on the European level for the year 2018, Zagreb is placed on the 36th place ranged with 200 cities (International Congress and Convention Association, 2019).

Business and other events in Zagreb are organized in halls of significant cultural-historical institutions such as museums, concert halls and galleries which possess the appropriate infrastructure for their realization. The most significant buildings for this form of tourism are congress centers and halls of which 4 centers with 36 halls are pointed out, whose capacity is up to 1,200 places. An important pre-condition for the development of Business Tourism of the city of Zagreb is the existence of appropriate accommodation supply which is characterized by a growing number of 4 and 5 star hotels, which possess capacities for organization of business and other types of events (Business tourism, 2020).

The city of Zagreb has been recognized in the tourism market as a city tourism destination. Factors that have brought to the development of city tourism in Zagreb primarily relate to the structure of resources which is made of attractions of anthropogenic character in the form of larger number of cultural sites, quality traffic infrastructure in terms of development of air traffic, diverse accommodation supply as well as additional facilities for rest and recreation in the destination. Besides that, the appearance of low-tariff airlines as well as a growing number of hotels in the total accommodation supply point to the creation of conditions for being visited by tourists who have lower or medium income, as well as younger tourists. In 2019, in the city of Zagreb 83% (Authors´ calculation according to: Official website of City of Zagreb, 2020) of tourist visits were made by foreign ones, which speaks in favor to the fact that this city is recognized as a city tourism destination. To the image of Zagreb as a destination of city tourism contributes the fact that it is the capital city of an EU member, which points to its economic, social and political stability.

Table 2: Tourist arrivals in the city of Zagreb in the period 2015-2019

	Tourist arrivals			**Tourist overnights**		
Year	**Foreign**	**Domestic**	**Total**	**Foreign**	**Domestic**	**Total**
2015	859,140	218,638	**1,077,778**	1,428,551	375,739	**1,804,290**
2016	920,303	232,295	**1,152,598**	1,620,899	395,208	**2,016,107**
2017	1,082,222	203,865	**1,286,087**	1,901,153	362,605	**2,263,758**
2018	1,177,014	223,187	**1,400,201**	2,101,705	410,112	**2,511,817**
2019	1,210,921	243,098	**1,454,019**	2,186,449	452,513	**2,638,962**

Source: Official website of City of Zagreb (n.d.; 2020)

Table 2 presents the data about the tourist turnover achieved in the city of Zagreb in the period 2015-2019. The data in the previous table indicates a positive trend of growth both for total achieved tourist arrivals and achieved tourist overnights. In the period 2015-2019 tourist arrivals registered a 34.91% growth, and tourist overnights growth of 46.26%. The majority of arrivals and overnight stays were made by foreign tourists (Authors´ calculation according to: Official website of City of Zagreb, 2020).

During 2017/18, an empirical research was made with a goal of determining the profile of tourists who stay in the city of Zagreb as well as the characteristics of their stay and way of spending their time in the destination. The results of the research that was conducted on the sample of 2,007 tourists have shown that tourists who visit Zagreb mostly belong to the age group 26-35 (31%). The majority of visitors have a university degree, as well as an average monthly income €2,385. Of the total number, 32% of the tourists prefer traveling with their spouse or a partner, 31% alone and 26% with their friends. When choosing their accommodation, 64% of tourists indicate that they prefer staying in a hotel (82% in a 3* and 4* hotels). In terms of activities during their stay, 88% of tourists visited Ban Jelačić Square, 71% spent time in coffee shops and cafes, 21% visited the Museum of Broken relationships, 18% visited the Botanical Garden, 11% the Maksimir Park Zoo, 7% the Medvedgrad Fortress, 6% the Jarun Lake, 4% the outskirts of Zagreb. It is very important to mention that 93% of tourists attended the Advent in Zagreb (average 2 visits), and 73% stated that Advent would encourage them to re-visit Zagreb (Official website of Tourist Board of the city of Zagreb, 2018). Based on the previously presented findings, in the following section, the authors will present the strategic guidelines which are aimed towards the improvement of tourism supply of the city of Zagreb.

5. Strategic guidelines for the improvement of city tourism supply of Zagreb

Based on the previous research results, the authors present the following strategic guidelines:

- Considering the possibilities for applying the concept of smart development with the aim of improving the city tourism supply of the city of Zagreb based on smart technologies. The benefits that can be achieved by using smart technologies include better quality of city tourism supply for tourists as well as a more efficient business performance of tourism and hotel companies in the city of Zagreb;
- Enabling permanent education for employees in tourism and hotel companies in order to raise the quality of services to a higher level and satisfy the tourist needs, which will further influence a better positioning of the city of Zagreb in the tourism market;
- Intensive cooperation of subjects from public and private sector in order for city tourism to become a recognizable and contribute to a better competitive position on the tourism market;
- Organization of a larger number of tourist events with special emphasis on cultural events in order to increase a total tourist turnover of the city of Zagreb throughout the entire year;
- Harmonization of city tourism supply with the needs of modern tourists, which will be based on monitoring and implementation of best practices of competitive European cities while preserving its authenticity at the same time;
- Improving the quality of the supply in hotels by providing additional facilities for tourists (sports and recreational facilities, spa & wellness services, event organization, quality gastronomic supply, children's facilities, etc.);
- Improving the quality of the accommodation supply through building new hotel facilities in the center of the city of Zagreb as well as nearby tourist attractions and the airport;
- Ensuring additional financial funds for preserving, arrangement and improving the quality of the city´s infrastructure;
- Strengthening interconnections among all interested stakeholders in the tourism supply of the city of Zagreb;
- Improving knowledge and skills in managing structures of the city and city´s Tourist Board;

- Creating synergy among institutions in culture, religious institutions and tourist economy of the city of Zagreb;
- Forming a strategy for the development of city tourism of Zagreb;
- Harmonization of city developmental strategies with those on a higher level;
- Creating and conducting programs of financing tourism development through the use of EU funds;
- Ensuring the permanent safety of all stakeholders in the tourism process;
- Guiding towards target market niches;
- Establishing cooperation with other main cities in Europe, forming joint tourist products and tours;
- Value for money of tourism products and services;
- Improving the existing marketing and promotion mix;
- Forming recognizable brands of the city and guiding activities towards increasing the competitive advantages.

Through the implementation of previously presented guidelines, it is expected that the city of Zagreb will achieve an increase of its competitiveness on the tourist market, and especially in the field of city tourism supply.

6. Conclusion

Contemporary trends on the tourist market indicate a growing significance of city tourism and its role in creating a unique city´s supply which enables an influx of tourists throughout the year. Despite possessing significant tourist potentials, the city of Zagreb still has not reached a maximum level of the development of its tourism supply. One of the key pre-conditions for reaching it is the adaptation of tourism supply to the needs of contemporary city tourists. Besides that, competitive positioning on the tourist market depends on tracking the developmental model of city tourism in the cities which represent the examples of good practice. Based on the conducted analysis of the existing tourism supply in this paper, the authors have defined strategic guidelines that could improve the development of city tourism supply of Zagreb.

References

1. Alkier Radnić, R., Gračan, D., & Milojica, V. (2009). Tourism features within the European Union with special attention paid to Croatia. In V. Kandžija and A. Kumar (Ed.). *7th International Conference Economic Integrations, Competition and Cooperation* (pp. 1–14). Rijeka, Croatia: Faculty of Economics, University in Rijeka.
2. Business tourism. (2020). *Zagreb*. Retrieved March 11, 2020 from https://www.poslovniturizam.com/destinacije/zagreb/17/
3. City of Zagreb, City Office for the Strategic Planning and Development of the City, Department of Statistics. (2020). *Osnovni podaci o gradu Zagrebu*. [*Basic information about the city of Zagreb*]. Retrieved March 7, 2020 from http://www1.zagreb.hr/zgstat/index.html
4. City Office for Economy, Energetics and Environment protection. (2015). *Nacrt Programa zaštite okoliša grada Zagreba - nacrt* [*Environmental Program of the City of Zagreb - draft version*]. Retrieved March 6, 2020 from https://eko.zagreb.hr/UserDocsImages/arhiva/dokumenti/Okoli%C5%A1/Otpad/PZO/PZO_Grad_Zagreb_%2021.1.2015.pdf
5. Department of Spatial Planning of the city of Zagreb. (2013). *Izvješće o stanju u prostoru grada Zagreba 2008-2012*. [*Space Report of city of Zagreb 2008-2012*].

Retrieved May 5, 2020 from http://www1.zagreb.hr/zagreb/slglasnik.nsf/7ffe63e8e69827b5c1257e1900276647/6bf3c0c1ad894a57c1257c35005512c2/$FILE/Izvje%C5%A1%C4%87e%20o%20stanju%20u%20prostoru%20Grada%20Zagreba%202008-2012.pdf
6. Folgado-Fernandez, J. A., Olivieira Duarte, P. A., & Hernandez Mogollon, J. M. (2015). Assessing the differentiated contribution of city resources to city brand image. *Tourism and Management Studies*, *11*(1), 77–83.
7. Franjo Tuđman Airport, Zagreb. (2019). *Statistics at Franjo Tuđman Airport*. Retrieved March 10, 2020 from https://www.zagreb-airport.hr/poslovni/b2b-223/statistika/278
8. Galdini, R. (2007). Tourism and the city: Opportunity for regeneration. *Tourismos: An International Multidisciplinary Journal of Tourism*, *2*(2), 95–111.
9. Horwath HTL. (2011). *Strategija turističkog brendiranja grada Zagreba s planom promocije na međunarodnom tržištu* [*Branding strategy with an international promotion plan for the city of Zagreb*]. Retrieved March 8, 2020 from https://www.infozagreb.hr/kontakt/b2b/prezentacije-i-istrazivanja
10. Horwath HTL. (2016). *Strateški i operativni marketinški plan TZGZ 2017.-2012*. [*Strategic and Operational Marketing Plan for TZGZ 2017-2012*]. Retrieved March 8, 2020 from https://www.infozagreb.hr/documents/b2b/strateskioperativniplan.pdf
11. International Congress and Convention Association. (2019). *ICCA Statistics Report Country & City Ranking*. Retrieved March 8, 2020 from http://www.iccaworld.org/dcps/doc.cfm?docid=2321
12. Ivanović, S., Alkier, R., & Milojica, V. (2015). Development perspectives of city tourism offer of Rijeka. In M. Stanišić (Ed.). *Singidunum International Tourism Conference-SITCON 2015* (pp. 58–64). Belgrade, Serbia: University Singidunum.
13. Ivanović, S., Alkier, R., Milojica, V. (2016a). Selective forms of tourism in the function of repositioning Croatian tourist product. In S. Vicić (Ed.). *6th International Biennial Congress HOTELPLAN 2016 Hospitality and Tourism-Interdisciplinary Approach* (pp. 140–156). Belgrade, Serbia: The College of Hotel Management.
14. Ivanović, S., Mikinac, K., & Milojica, V. (2016b). Importance of strategic managing in development a competitive event tourist offer. In H. M. Ribarić and D. S. Jurdana (Ed.). *23rd International Congress Tourism and Hospitality Industry 2016 Trends and Challenges* (pp. 95–108). Opatija, Croatia: Faculty of Tourism and Hospitality Management in Opatija.
15. Kolb, M. B. (2006). *Torism marketing for cities and towns*. Oxford: Elsevier Inc.
16. Law, C. M. (2002). *Urban tourism: The visitor economy and the growth of large cities*. London: Continium.
17. Official website of City of Zagreb (n.d.). *Statistički ljetopis grada Zagreba 2017-2019*. [*Statistical yearbook of the city of Zagreb 2017-2019*]. Retrieved March 15, 2020 from https://www.zagreb.hr/statisticki-ljetopis-grada-zagreba/1044
18. Official website of City of Zagreb. (2011). *Razvojna strategija grada Zagreba [Development Strategy of City of Zagreb*]. Retrieved March 16, 2020 from https://www.zagreb.hr/UserDocsImages/gu%20za%20strategijsko%20planiranje/Razvojna%20strategija%20Grada%20Zagreba_SGGZ_18-17.pdf
19. Official website of City of Zagreb. (2017). *Razvojna stategija grada Zagreba za razdoblje do 2020. godine [Development Strategy of the city of Zagreb for the period until 2020*]. Retrieved March 6, 2020 from https://www.zagreb.hr/UserDocsImages/gu%20za%20strategijsko%20planiranje/Razvojna%20strategija%20Grada%20Zagreba_SGGZ_18-17.pdf
20. Official website of City of Zagreb. (2020). *Turistički pokazatelji i smeštajni kapaciteti*. [*Tourist indicators and accommodation capacities*]. Retrieved March 15, 2020 from https://www.zagreb.hr/userdocsimages/arhiva/statistika/2019/turizam%202019/Turizam%20%20XII.%202019%20.pdf

21. Official website of Tourist Board of the city of Zagreb. (2018). *Zagreb Visitor Survey 2017/18 - Infographic Report*. Retrieved March 11, 2020 from https://www.infozagreb.hr/documents/b2b/STRZagrebVisitorSurvey.pdf
22. Official website of Tourist Board of city of Zagreb. (2020a). *Zagreb Time machine*. Retrieved April 25, 2020 from https://www.infozagreb.hr/zagreb-time-machine-570e0251b675d&lang=en
23. *Official website of Tourist Board of city of Zagreb*. (2020b). Retrieved May 6, 2020 from https://www.infozagreb.hr/
24. Pasquinelli, C., & Bellini, N. (2017). Global context, policies and practices in urban tourism: An introduction. In N. Bellini and C. Pasquinelli (Eds.). *Tourism in the city towards an integrative agenda on urban tourism* (pp. 1–25). Cham, Switzerland: Springer International Publishing.
25. Podovac, M. (2019). *Strategijske osnove razvoja turizma u gradovima Srbije*. [*Strategic bases of tourism development in Serbian cities*] (Unpublished PhD thesis). Singidunum University, Belgrade, Serbia.
26. Smolčić-Jurdana, D., & Magaš, D. (2006). City as a tourist destination – attributes, principles, goals. In V. Rajkovič (Ed.). *26th International Conference on Organizational Science Development Creative Organization* (pp. 1714–1721). Portorož, Slovenia: University of Maribor, Faculty of Organizational Science.
27. Stanić Jovanović, S. (2016). Izletnički turistički proizvod opštine kao doprinos razvoju gradskog turizma Beograd: Studija slučaja gradske opštine Surčin. [Excursion tourism product of municipality as a contribution to the development of urban tourism in Belgrade: A case study of the city municipality of Surčin]. *Menadžment u hotelijerstvu i turizmu – Hotel and Tourism Management*, *4*(1), 31–42.
28. Štetić, S., Cvijanović, D., & Šimičević, D. (2014). *Posebni oblici turizma Dunavskog regiona Srbije* [*Special forms of tourism in the Danube region of Serbia*]. Belgrade, Serbia: Institute of Agricultural Economics.
29. Tokarchuk, O., Gabriele, R., & Maurer, O. (2016). Development of city tourism and well-being of urban residents: A case of German Magic Cities. *Tourism Economics*, *23*(2) 343–359. https://doi.org/10.1177/1354816616656272

Received: 27 April 2020; Sent for revision: 8 May 2020; Accepted: 18 May 2020

Review Article

UDC: 334.713:339.137.2
doi: 10.5937/menhottur2001101P

The analysis of competitive strategies from the perspective of small and medium enterprises

Nebojša Pavlović[1*], Irena Čelić[1]

[1] University of Kragujevac, Faculty of Hotel Management and Tourism in Vrnjačka Banja, Serbia

Abstract: In contemporary conditions of the economy, the small and medium-sized enterprises (SME) face numerous challenges because of the constant changes, which create both new threats and opportunities. The competition is fierce in the market – only those with clear plans and strategies will manage successful businesses. The companies relying on no strategy or using a little bit of everything cannot be expected to thrive. The paper will explain in more depth the particularities and ways of organizing an entrepreneurship activity in the SMEs. Furthermore, it would describe competitive strategies and their positioning within an SME. The aim of this study is to explore competitive strategies and ways of their application in the SME.

Keywords: SME, competition, differentiation, cost advantage
JEL classification: L26, M21, M31

Analiza konkurentskih strategija iz perspektive malih i srednjih preduzeća

Sažetak: Mala i srednja preduzeća (MSP) u uslovima savremene ekonomiije nailaze na brojne teškoće u poslovanju usled svakodnevnih promena, koje stvaraju nove pretnje i šanse. Izuzetno je izražena konkurentnost na tržištu, uspešno posluju samo ona preduzeća koja imaju jasne planove i strategije. Kompanije koje ne koriste ni jednu strategiju ili koriste od svih strategija po malo, ne mogu se nadati uspehu u poslovanju. U radu će detaljnije biti objašnjene specifičnosti i načini organizovanja preduzetničkih aktivnosti u sektoru malih i srednjih preduzeća. Takođe, biće opisane konkurentske strategije i njihov značaj za pozicioniranje MSP-a. Cilj rada je ispitivanje konkurentskih strategija i načina njihove primene u sektoru MSP-a.

Ključne reči: MSP, konkurencija, diferencijacija, troškovna prednost
JEL klasifikacija: L26, M21, M31

1. Introduction

Companies from SME sector have been present in the developed countries for a long time. They play a major role in the transition process of the developing countries. These enterprises are also important for the employment of new workers and the stabilization of the

* racapn@gmail.com
** The paper is the result of the research within the project 179066, funded by the Ministry of Education, Science and Technological Development of the Republic of Serbia.

underdeveloped countries. Once SMEs are established, the private sector is privatized and liberalized. This is what happens when the development of SMEs relies on the positive experience of the EU member states and the countries in transition (Zrnić, 2014).

Between 2012 and 2015, Serbia recorded a constant increase in the number of SME. In Serbia, the year 2016 was declared as the year of entrepreneurship (Njegomir et al., 2017). Also, in recent years, there has been an increasing emphasis on women's entrepreneurship in Serbia (Krasavac et al., 2019). Entrepreneurial ventures gave a great contribution to competitiveness increase (Aničić et al., 2019). The SME sector of Serbia differentiates from the one in the European Union. The characteristic of the Serbian sector is the fact that there are more job losses than in the European Union. In 2013, the value-added tax was 18% lower than it was in 2011.The value-added tax increased by 8.6% in 2014. We can ascribe these performances of the SME to the changing business environment, characterized by an unstable financial sector and low demand.

Currently, the Serbian economy and industry are characterized by the technological and economic decay of most installed capacities, and dominant presence of traditional manufacturing (standardized products). In addition, Serbian economy includes exported goods which do not feature any recognizable product aimed at prospective buyers in the past. Those products were marketed to a limited number of destinations (Zrnić, 2014). Companies in Serbia are not competitive abroad (Miletić et al., 2018).

This paper will present the ways of implementing competitiveness strategies in the SME sector. In order to achieve this, experts resort to generic strategies.

2. The unique parts of entrepreneurship in modern industry

Today, popularity awaits anyone who has an entrepreneurial spirit. The modern world is characterized by changes. Every day we hear about the changes in politics, development of the new economic models and instruments, as well as the advantages of the modern technology. These changes "feed off each other" and they take impact on a global character. One of the key changes in the modern world is the increasing sensitivity and responsibility of the business. The firms have to constantly upgrade their products and services. This is what the consumers expect from them. If the companies want to survive in the market, they have to act fast, and be both agile and innovative. At the same time, changes can be perceived as both business opportunities and problems. Business opportunities are new chances which might lead to a better future (Beganović, 2015).

2.1. Entrepreneurial organization in modern economy

Today, the modern economic structures are characterized by fast, dynamic, and extremely complex changes that exert a significant impact on the individual's behavior. They also determine the development of an organizational structure. Economy as we know it is changing every day and adjusting to the society. New products make changes among consumers in their habits, tastes, and other trends (Avlijaš & Avlijaš, 2013).

According to Škrbić et al. (2019) entrepreneurship is a crucial element of competitiveness. Working on a new venture is a part of the entrepreneurial process which encompasses more than just problem-solving. An entrepreneur finds, assesses, and develops an opportunity despite the forces that prevent them from creating something new. According to Hisrich et al. (2011) "the entrepreneurial process consists of four phases - identifying and evaluating a new opportunity, developing a business plan, securing the required resources, and managing the new company" (p. 9). Although the phases are sequential, the entrepreneur does not approach them separately. They cannot approach one phase without determining what all phases will entail. For instance, in order for the entrepreneur to successfully identify and evaluate an opportunity (1st phase), they have to know what kind of business they will run at the end (4th phase) (Hisrich et al., 2011).

The idea is at the core of every business opportunity (Ćirić et al., 2018). An entrepreneur makes room for a new venture by identifying the opportunity. It is an arduous task. The basic goal of this step is to define the criteria which will be used to measure the quality of the business opportunity. Here, the entrepreneur identifies the opportunity and develops a vision. If they do not create the vision, then the new idea is just a dream. This step can take a while to complete because it requires one to come up with the pricing and selling strategies (Stefanović, 2005). Business opportunities do not arise all of a sudden. Namely, they occur as a consequence of the entrepreneur's devotion to and consideration of the venture. Sometimes they arise when the entrepreneur forms the mechanism for identifying chances (Avlijaš & Avlijaš, 2013). For example, the entrepreneur can inquire if someone uses a product which they think does not satisfy the primary purpose. This type of a person always thinks about the needs and looks for a chance to create a new product. Another entrepreneur overlooks as their children or cousins play – this is their search for a new venture in the toy making industry. The members of a distribution channel can accurately detect the needs of consumers because of their close contact with them (Stefanović, 2005).

Opportunity becomes the propulsive fuel for creating a new project (Pavlović & Krstić, 2016). It is necessary for a business opportunity to be carefully considered and assessed regardless whether it came to be because of the comments from consumers, business consultants, and members of the distribution channel or technical staff (Stefanović, 2005). When we check business ideas, all the time we look for arguments that are for and against turning an idea into a real business (Ćirić et al., 2018). The opportunity needs to be compatible with the personal skills and goals of the entrepreneur (Stefanović, 2005).

Regardless of the amount of the devoted effort, one of the decisions is the selection of the legal entity. According to Avlijaš and Avlijaš (2017) "the legal entities of a company are entrepreneur, partnership company, limited partnership, limited liability company, and joint-stock company" (p. 12). It should also be established based on the short- or long-term needs of a company. This is a long phase of the entrepreneurial process. An entrepreneur usually does not have any experience in how to devise a business plan or find any adequate resources for its development. A good business plan is a key for the development of an opportunity. It is also essential in the process of finding and obtaining the needed resources. This will lead to the successful management of the venture (Buble, 2006). A business plan is similar to a road map (Pavlović & Krstić, 2016). It shows the straight path of movement in the business.

Once armed with a good business plan, the next challenge is to focus on the needed resources and their procurement. The entrepreneur has to determine which resources are required in order to put their plan into action (Buble, 2006). Access to finance is a much broader issue than is generally observed (Bobić, 2017). Some of the ways of financing include private roles, foreign direct investment, borrowing base financing and the sale of the stocks of a firm. When it comes to the sale of the stocks of a firm, one should determine which stocks to sell, which percentage will be sold and what will be the stock price. It is important here to consider risk factors. The needed resources should be secured in a timely manner. In this way, the entrepreneur keeps the ownership and control of their venture – especially in the beginning phase (Buble, 2006). The structure and volume of funds invested in a business depend on the projected results (Ćirić et al., 2018). The entrepreneurs should plan and decide financing and accounting because understanding these two things contributes to their success. This specifically refers to the process of understanding and analyzing the financial reports and budget, and setting the cash flow. One should implement the appropriate control systems in order to determine and solve problems quickly. A large number of entrepreneurs have a lot of issues while managing a firm they created (Buble, 2006). Also, there may be problems in the functioning of the company due to indebtedness, illiquidity, outdated technology (Kovačević, 2018).

2.2. The factors affecting the competitiveness of entrepreneurship in modern industry

The analysis of the environment is important in strategic planning. This is especially so because the environment in which the firms are located go through turbulent phases. They occur because of numerous factors and their interrelationships. Keeping a permanent track of the changes and trends and timely adjusting to them are imperative in modern business. In strategic planning, the term environment is used differently. For instance, in his definition, Zrnić (2014) includes all factors which are brought about independently of the manager's activities in a firm. This includes both internal and external forces (Zrnić, 2014). As an example, we take only those factors which are important for every level (Unković, 2014):

- Internal environment includes interactive relationship of interdependence between marketing and other activities of management (production, finance, employees, research, and development).
- Microenvironment, as a second level, consists of the factors which impact the marketing management and which are beyond the organizational boundaries. Those are competition, distribution, suppliers, customers, external marketing services, and public.
- Macro environment: On this level, the individual organization almost has no impact on the factors. They are social and cultural environment, legal, economic, technological, and physical environment. Any of them can influence the marketing strategy, so it is important to follow their changes and trends.

In order for the environment assessment system to be efficient, it has to include the activities such as identification, prediction, and assessment (Unković, 2014). Jain (1985) suggests six important steps in the assessment system:

1. One should know the trends of every key factor of the environment which was previously identified;
2. The most relevant trends should be defined and then researched in more detail;
3. It is crucial to determine the possible impact of the chosen trends in the modern products and market, including their possibilities and dangers;
4. Predicting the future movement of trends;
5. Analyzing the further possible effects of the trends in the future movement of products and market:
   a) Assuming nothing happens and
   b) That one reacts to the trends.
6. The last step is the assessment of the implication of the previous analysis in regards to the strategic decision making.

3. Competitive strategies

In the fight for greater market share, organizations can implement specific strategies (Ognjanović, 2015). Sometimes a firm's profitability can be modest, regardless of the fact that that industry does not have the desired structure. Even then, it is said that this firm, which independently achieves the position in the market, has a chance to have a high profitability (Porter, 2007). A firm can sustain if it attains advantage on the market compared to its competitors (Vrdoljak-Raguž & Tolušić, 2012). The most important requirement for long-term above-average results is a sustainable competitive economy. Low expenditure and differentiation are the two variants of the competitive advantage that the company can have on the market. The managers have a chance to choose for specific generic strategies. Porter writes that the generic strategies are cost leadership, differentiation, and focus. By applying the focus strategy, we can decide whether we want to focus on the spending or differentiation (Porter, 2007). These strategies we call "generic" because all businesses and branches can use them (Vukosav, 2016).

Competitive advantage is a dynamic concept (Milosavljević, 2002), and it can be made in different ways (Stanković, 2018). Each strategy entails that a company decides which competitive variant it will apply. A firm's goal is to have an advantage when compared to its competitors. The focus strategy strives to achieve an advantage in a narrow market. Companies go through different activities when applying the generic strategies. They depend on the industry in which a company is operating (Porter, 2007).

3.1. Cost leadership

When applying cost leadership, a firm sets out to become the low-cost producer in its industry. This strategy enables a firm to operate in many industry segments. Additionally, it permits a firm to work in a larger number of related industries, which impacts the creation of the cost advantage. A firm can achieve cost leadership in many ways. For example, it can apply the economy of scale in its business or use some technology patents. If we observe the production of TVs, cost advantage requires amortization of R&D costs, achieved through efficient production capacity, low-cost design, automated assembly and global business. On the other hand, if we examine the service industry, this strategy would demand a firm to have both cheap labor and low expenditure. In addition, it would have to include a larger number of employees. In order to achieve cost leadership, a company has to produce and offer the standard products and services on the market (Milačić, 2006). The reasons for maintaining low-cost strategy are (Shekhar, 2010):

- To attract more customers;
- To retain existing customers;
- To gain the maximum market share from the competitors;
- To earn a high profit margin for maximization of profit;
- To restrain competitors in the market.

The company implements this strategy when the product is on the maturity stage (Džanković-Jerebičanin, 2014). A company which successfully implements this strategy will be able to determine the prices in a particular industry. This refers to the average prices of the products and services or the prices that are close to being average. Cost leadership will bring a higher profit for a firm when the prices of the products or services are lower or the same as the ones offered by its direct competitors on the market. It is important not to forget about the other strategy - the differentiation strategy. The products and services of a firm can be characterized as uncompetitive. In this case, the managers would have to lower the prices of the products/services, comparing them to those of their competitors. Cost leadership would achieve worse results and remove all of the advantages a firm gained. The example of the companies that found themselves in this situation would be the watch manufacturer Texas Instruments and Northwest Airlines. The first company could not overcome the issues and it left the industry. However, the second one understood what was happening and succeeded in making its services competitive by investing in marketing (Milačić, 2006). An example of a successfully implemented cost leadership strategy is Hyundai Company. It sells the i10 model at low prices and retains the product quality that is in the top class of city cars

(Vrdoljak-Raguž & Tolušić, 2012). This strategy can also be applied in hospitality and tourism companies. That company has to look out for the risk of impossibility to permanently keep prices down (Vukosav, 2016).

3.2. Differentiation

In the differentiation strategy, a firm seeks to be unique in the eyes of their buyers. It selects one or more attributes of the products/services and tries to sustain in the market by satisfying the needs. By implementing this strategy, the company gains a benefit - the premium price of its products (Porter, 2007). If a company follows a differentiation strategy, it will also have a wide variety of product lines (Kotler, 2010). By using this strategy, the company achieves a unique position in its business segment (Albijanić, 2013).

According to Senić and Milojević (2015), buyers are very valuable assets of the enterprises. Implementing a differentiation strategy is the best way to meet customer needs, tastes and preferences (Shekhar, 2010). The implementation of a differentiation strategy has a positive effect on the performance of the company (Kaya, 2015). Differentiation can be based on the products as well. The company Caterpillar Tractor is the construction equipment manufacturer. The differentiation strategy of their products is based on their longevity. The company also takes care of its machines and has a good network of buyers. On the other hand, if we were to look at the cosmetic industry, we could see a completely different situation. They base the differentiation strategy on the product image (Porter, 2007). Mercedes-Benz Company is an example of successfully implemented differentiation strategies. Their S-Class model is differentiated by price, image, customer loyalty and product quality (Vrdoljak-Raguž & Tolušić, 2012).

During the implementation of this strategy, costs must be controlled (Kotler, 2010). A company can get numerous benefits if it uses and saves the product differentiation in an adequate manner. It can achieve excellent results if it has the adequate premium price of the products/services. Therefore, it is imperative for a company to always accomplish its adequate premium price (Porter, 2007).

It is significant to mention Porter (1980), who differentiate four differentiation strategies based on: (i) innovation, (ii) services, (iii) market, and (iv) quality. This strategy is extremely relevant for the SMEs, because it is difficult for them to apply cost leadership strategy (Katić, 2013).

4. Sustainability of generic strategies

Whichever generic strategy applied, it has to be sustainable as well. If not, the planned results, which would be above the average, will not be obtained. The sustainability strategy involves the firm setting up some barriers in order to stop its competitors. In addition, a firm would always need to be ready to improve its position (Porter, 2007). Sustainability can only be achieved if the company is able to base its advantage on a large number of elements (Arsenović & Kovačević, 2015).

Sustainable advantage is possible in industries where businesses use multiple different strategies (Milosavljević, 2002). In some industries, industry structure or the strategies of competitors eliminate the possibility of achieving one or more generic strategies. Occasionally, a firm cannot go through cost leadership because it is applied by several other firms operating in the same industry. On the other hand, the focus strategy is not applicable if there is a small number of segments in one industry (Porter, 2007).

5. The significance of competitive strategies for the positioning of SMEs

Strategic orientation is the only solution to many internal problems and weaknesses of SMEs (Lazarević-Moravčević et al., 2018). According to Porter, managers opt for a strategy by assessing how the company creates value. In other words, they examine how they achieve competitive advantage (with the help of differentiation or cost leadership) and how it determines its target scope (either focus or industry-wise). The author identifies three generic strategies achieving competitive advantage. They are recognizable both in literature and business (Krstić, 2009):

1. Cost Leadership – a firm is a low-cost producer, offering products at a cheaper price than competitors;
2. Differentiation strategy – a firm gains consumers' loyalty and expands the possibility for the price policy. It achieves this because of the physical and psychological difference of its products compared to competitors;
3. Focus strategy – company focuses their business on one or more attractive segments on the market.

Competitive advantage is achieved differently with each of these generic strategies (Robbins & Judge, 2013). Companies that implement cost leadership have the lowest expenditures in an industry. Differentiation strategy means that company has some unique characteristics on the market along some dimensions which buyers value. They reward a company by accepting the premium price. Differentiation can have as its basis a product/service. It can also have the marketing approach of a company, etc. Company using the focus strategy selects one or more segments in the industry and focuses on satisfying its/their specific needs (Krstić, 2009). If an SME wants to successfully implement a cost leadership strategy, it should have tight cost control, keep pace with changes in technology, etc. For successful implementation of differentiation strategy an SME must to build a brand image, rely on specialist skills, oversee market changes (Avlijaš, 2008). According to Porter, many companies can decide to apply the same strategy. If the basis of that strategy is the same, then the competition can escalate. This competition would not have a positive influence on the companies' profits (Porter, 2007).

The research study often claims that the owners/managers of SMEs do not apply any strategy. SMEs have strategies, but they are less formal. Additionally, they focus on specific activities or competitive tactics carried out daily within a firm (Katić, 2013). SMEs can offer to customers standardized products/services. In this situation, the differentiation strategy is most often based on price, quality, functions, sales method, etc. (Avlijaš, 2008). A study conducted in Kenya shows that most SMEs successfully implement a differentiation strategy. That study shows that differentiation can be achieved by offering a wide range of products, offering a quality product, quickly resolving customer complaints, hiring modest employees, setting good prices (Njuguna et al., 2015). In addition, differentiation in SMEs can be achieved by introducing innovation, flexibility and creating services that are tailored to the customer's personality (Avlijaš, 2008).

While creating its position on the market, a company should adjust its strategic abilities and advantages and use them together with the chances from the external environment (Popesku & Jovanov, 2010). The company also can be in "Stuck in the middle" position. "Stuck in the middle" means that a company did not devise any adequate strategy in its competitive strategic plan. A company will often think that it can use all strategies, which can lead to failure. This strategic position results in a below-average performance. We should not expect that a firm can be successful in all segments. According to Porter, a firm can be successful if it chooses only one generic strategy (Krstić, 2009).

Business owners' personal goals must always be reflected in the SME strategy (Ožegović & Pavlović, 2012). A competitive SME strategy must be formed and adapted to the particular business situation (Avlijaš, 2008). In SME sector, the managers are not involved enough and are disinterested in the strategy and the planning process. This happens either because of the lack of time or resources. This is why they focus on the operational activities. Among the SMEs, the strategy is usually implicit, informal and intuitive (Katić, 2013).

6. Conclusion

It is the most important that SMEs in Serbia understand the competitive strategies because without relying on any, they will manage an unsuccessful business. Their business will suffer if they also apply insufficiently researched, analyzed, and known strategy. In the modern world of changes, companies fight for their place in the market as well as for expansion. In order to be stable, SME enterprises have to apply clear competitive strategies and conduct a long-term planning. Cost leadership might not be suitable for SME compared to the differentiation strategy because of their financial capabilities.

Based on the above literature, it can be concluded that competitive strategies in SMEs can be applied in different ways. A cost leadership strategy can be successfully implemented with strict cost control and monitoring of technological changes (Avlijaš, 2008). Observing the researches of Avlijaš (2008) and Njuguna et al. (2015) it can be concluded that differentiation strategy can be applied by introducing innovations, flexibility and creating customized customer service, then by offering a wide range of products, offering a quality product, quickly resolving customer complaints, modest employee behavior, favorable prices.

In the strategic development process, the companies within the SME find that the activity of performance assessment is important. SMEs often do not use any strategic planning and do not really understand all factors which are key to their success (Zrnić, 2014). However, it is the most important thing that all factors, both tangible and intangible, be included in the analysis of a firm's performance. Systems for measuring performances favours the creation of a learning process as well as an agreement for the improvement of certain processes.

References

1. Albijanić, M. (2013). *Strategijski menadžment* [*Strategic management*]. Beograd: Univerzitet Singidunum.
2. Aničić, J., Aničić, D., & Kvrgić, G. (2019). Sustainable growth and regional competitiveness of Serbian economy. *Ekonomika*, *65*(2), 65–74. https://doi.org/10.5937/ekonomika1902065A
3. Arsenović, V., & Kovačević, Ž. (2015). Formulisanje strategije preduzeća kao analitički proces: domet Porterovog pozicionističkog pristupa [Corporate strategy formulation as an analytical process: The reach of Porter's positioning approach]. *SVAROG*, *11*, 132–149.
4. Avlijaš, R. (2008). *Preduzetništvo i menadžment malih i srednjih preduzeća* [*Entrepreneurship and management of small and medium enterprises*]. Beograd: Univerzitet Singidunum.
5. Avlijaš, R., & Avlijaš, G. (2013). *Preduzetništvo* [*Entrepreneurship*]. Beograd: Univerzitet Singidunum.
6. Avlijaš, R., & Avlijaš, G. (2017). *Preduzetništvo* [*Entrepreneurship*]. Beograd: Univerzitet Singidunum.

7. Beganović, A. (2015). *Razvoj inovativnosti i konkurentosti preduzeća* [*The development of innovation and competitiveness of enterprises*] (Unpublished doctoral thesis). Sremska Kamenica: Fakultet poslovne ekonomije.
8. Bobić, D. (2017). P*reduzetništvo mladih u Srbiji - Mapiranje prepreka za preduzetništvo mladih* [*Youth entrepreneurship in Serbia - Mapping barriers to youth entrepreneurship*]. Beograd: Nemačka saradnja & CEVES.
9. Buble, M. (2006). *Osnove menadžmenta* [*Fundamentals of management*]. Zagreb: Sinergija nakladništvo.
10. Ćirić, D., Stančetić, M., Topo, M., & Šešlija, N. (2018). *Šta sve čini avanturu zvanu preduzetništvo?* [*What makes an adventure called entrepreneurship?*] Novi Sad: EduNS.
11. Džanković-Jerebičanin, A. (2014). Vrste strategija i moguće strategijske opcije [*Types of possible strategies and strategic options*]. *Ekonomski izazovi*, *3*(6), 137–153.
12. Hisrich, R. D., Peters, M. P., & Sheherd, D. A. (2011). *Poduzetništvo* [*Entrepreneurship*]. Zagreb: MATE d.o.o.
13. Jain, C. (1985). *Marketing planning and strategy*. Ohio, Mason: South Western Publishing Co.
14. Katić, A. (2013). *Razvoj modela za ocenu konkurentnosti u društvu zasnovanom na znanju* [*Development of a model for assessing competitiveness in a knowledge-based society*] (Unpublished doctoral thesis). Novi Sad: Fakultet tehničkih nauka.
15. Kaya, N. (2015). Corporate entrepreneurship, generic competitive strategies, and firm performance in small and medium-sized enterprises. *Procedia - Social and Behavioral Sciences, 207*, 662–668. https://doi.org/10.1016/j.sbspro.2015.10.136
16. Kotler, M. (2010). *Strategijski menadžment na delu.* [*Strategic management in action*]. Beograd: Data Status.
17. Kovačević, S. (2018). The differences in the way of management of business companies in Republic of Serbia and the European Union and the possibilities of its abuse. *Pravo - teorija i praksa*, *35*(7-9), 29–40.
18. Krasavac, B. C., Karamata, E., & Djordjevic, V. (2019). Innovative potential of environmentally motivated female entrepreneurship for sustainable development in the Republic of Serbia. *Economics of Agriculture*, *66*(3), 721–735. https://doi.org/10.5937/ekoPolj1903721C
19. Krstić, B. (2009). *Intelektualni kapital i konkurentnost preduzeća* [*Intellectual capital and competitiveness of enterprises*]. Niš: Ekonomski fakultet.
20. Lazarević-Moravčević, M., Erić, D., & Kamenković, S. (2018). The impact of business environment on the performance of the SME sector in Serbia. *Poslovna ekonomija*, *12*(1), 33–53. https://doi.org/10.5937/poseko13-17281
21. Milačić, Lj. (2006). *Konkurentnost u troškovima kao generička strategija* [*Cost competitiveness as a generic strategy*] (Unpublished doctoral thesis). Novi Sad: Ekonomski fakultet.
22. Miletić, V., Miletić, S., & Ćurčić, N. (2018). Organization's profitable business conduct as the outcome of advancing competitiveness by the CRM concept. *Anali Ekonomskog fakulteta u Subotici*, *54*(40), 33–48. https://doi.org/10.5937/AnEkSub1840033M
23. Milosavljević, M. (2002). Konkurentska prednost i dinamika konkurencije [Competitive advantage and competitive dynamics]. *Marketing, 33*(3-4), 11–116.
24. Njegomir, V., Pejanović, L., & Keković, Z. (2017). Agricultural entrepreneurship, environmental protection and insurance. *Economics of Agriculture*, *64*(3), 1035–1047. https://doi.org/10.5937/ekoPolj1703035N
25. Njuguna, V. N., Ochieng, I., & Odida, A. (2015). The contribution of differentiation strategy adopted by SMEs to their competitive advantage: A case study of small and medium sized enterprises in Nyahururu, Kenya. *European Journal of Business and Management*, *7*(29), 125–130.

26. Ognjanović, J. (2015). Analiza konkurenata i strategije konkurentskog nadmetanja [Competitor analysis and competitive strategies]. *Menadžment u hotelijerstvu i turizmu – Hotel and Tourism Management*, *3*(2), 80–88.
27. Ožegović, L., & Pavlović, N. (2012). Menadžment malih i srednjih preduzeća nosilac razvoja privrede [Management of small and medium size enterprises as a carrier of economic growth]. *Škola biznisa*, *12*(1), 74–84.
28. Pavlović, N., & Krstić, J. (2016). *Preduzetništvo i menadžment* [*Entrepreneurship and management*]. Vrnjačka Banja: Fakultet za hotelijerstvo i turizam u Vrnjačkoj Banji.
29. Popesku, J., & Jovanov, Z. (2010). Pozicioniranje kao sredstvo za postizanje održive konkurentske prednosti turističkih destinacija [Positioning as a means of achieving sustainable competitive advantage of tourist destinations]. *Acta Facultatis Medicae Naissensis*, *27(*4), 523–530.
30. Porter, M. (2007). *Konkurentska prednost: ostvarivanje i očuvanje vrhunskih poslovnih rezultata* [*Competitive advantage: achieving and maintaining outstanding business results*]. Novi Sad: ASEE.
31. Porter, M. E. (1980). *Competitive strategy: Techniques for analyzing industries and competitors*. New York: Free Press.
32. Robbins, S., & Judge, T. (2013). *Organizational behavior*. London: Pearson.
33. Senić, R., & Milojević, S. (2015). Recovering lost customers. *Menadžment u hotelijerstvu i turizmu – Hotel and Tourism Management*, *3*(2), 25–40.
34. Shekhar, G. S. (2010). *Business policy and strategic management*. New Delhi: I. K. International Publishing House Pvt Ltd.
35. Stanković, J. (2018). Green marketing and green product. *Economics of Sustainable Development*, *2*(2), 37–46.
36. Stefanović, V. (2005). *Preduzetnički menadžment* [*Entrepreneurial management*]. Zaječar: Fakultet za menadžment.
37. Škrbić, I. M., Mišković, I. D., Milošević, S. M., & Nešić, M. (2019). Preduzetnički modeli u funkciji održivog turizma [Entrepreneur models in function of sustainable tourism]. *Poslovna ekonomija*, *13*(1), 81–99. http://doi.org/10.5937/poseko15-19527
38. Unković, M. (2014). *Konkurentnost privrede* [*Competitiveness of the economy*]. Beograd: HERA edu.
39. Vrdoljak-Raguž, I., & Tolušić, M. (2012). Implementacija Porterovih generičkih strategija i postizanje konkurentskih prednosti na primjeru automobilske industrije [Implementation of Porter's generic business strategies and achieving competitive advantage in the automobile industry]. *Ekonomska misao i praksa*, *1*, 381–398.
40. Vukosav, S. (2016). *Strategijski menadžment ugostiteljsko-turističkih preduzeća* [*Strategic management of hospitality and tourism companies*]. Novi Sad: Prirodno matematički fakultet, Departman za geografiju, turizam i hotelijerstvo.
41. Zrnić, D. (2014). *Razvoj modela konkurentnosti malih i srednjih preduzeća u tranzicionim uslovima* [*Development of the model of competitiveness of small and medium-sized enterprises in transition conditions*] (Unpublished doctoral thesis). Novi Sad: Fakultet tehničkih nauka.

Received: 9 November 2019; Sent for revision: 13 December 2019; Accepted: 25 February 2020

Review Article

UDC: 338.48:615.83
614.235
doi: 10.5937/menhottur2001111K

Ethical principles of complementary medicine application in health tourism

Vesna Krstić[1*], Sandra Živanović[1]

[1] University of Kragujevac, Faculty of Hotel Management and Tourism in Vrnjačka Banja, Serbia

Abstract: The subject of the research is the application of certain ethical principles in the implementation of complementary medicine in health tourism from the aspect of medical ethics and business ethics in tourism. The aim of the research is to identify the importance of applying certain ethical principles in the implementation of complementary medicine in health tourism. Bibliographic-speculative and descriptive analytical methods were used. The research showed that the application of all ethical principles contained in the Declaration of Helsinki, the International Medical Code of Ethics and the Global Code of Ethics for Tourism is significant and justified in implementing complementary medicine in health tourism, given the structure of beneficiary tourists and the range of services provided within health tourism. The potentials of complementary medicine in terms of its implementation in the corpus of health tourism are still underutilized in the Republic of Serbia, so they could be the subject of some future research in which the application of ethical principles contained in the mentioned documents would be an integral part of them.

Keywords: ethics, complementary medicine, health tourism
JEL classification: I15, Z32

Etički principi primene komplementarne medicine u zdravstvenom turizmu

Sažetak: Predmet istraživanja je primena određenih etičkih principa pri implementaciji komplementarne medicine u zdravstveni turizam sa aspekta medicinske etike i poslovne etike u turizmu. Cilj istraživanja je identifikacija značaja primene određenih etičkih principa u implementiranju komplementarne medicine u zdravstveni turizam. U okviru rada korišćeni su bibliografsko-spekulativni i deskriptivni analitički metod. Istraživanje je pokazalo da je primena svih etičkih principa sadržanih u Helsinškoj deklaraciji, Internacionalnom medicinskom etičkom kodeksu i Globalnom etičkom kodeksu za turizam značajna i opravdana pri implementiranju komplementarne medicine u zdravstveni turizam, s obzirom na strukturu turista korisnika i asortiman usluga koje se pružaju u okviru zdravstvenog turizma. Potencijali komplementarne medicine po pitanju njene implementacije u korpus zdravstvenog turizma su još uvek nedovoljno iskorišćeni u Republici Srbiji našoj zemlji, pa bi mogli biti predmet nekih budućih istraživanja u okviru kojih bi primena etičkih principa sadržanih u pomenutim dokumentima bila njihov sastavni deo.

Ključne reči: etika, komplementarna medicina, zdravstveni turizam
JEL klasifikacija: I15, Z32

* vesnak16@hotmail.com

1. Introduction

The modern mind man (*homo sapiens recens*) of unchanged qualities, potentials and possible realizations of his mental totality, has been present on our planet for five to seven thousand years. The adoption of this axiom is a fundamental starting point for understanding the past, and well-known civilizations, and man as the sole creator of all cognition. It is also a condition for us to understand not only ourselves as an inimitable specialty, but also ethics as a science and theory of morality.

The twentieth century brought contemporary views on the value of human life and established the aspirations of a third millennium man. Ethical teachings of the twentieth century based on new qualities have transformed and further transformed relationships in the community (Nenadović, 2007).

Health is one of the oldest, lasting and, in modern conditions, one of the strongest motives of tourist movements. Contemporary health tourism is a form of tourism undertaken for the purpose of maintaining, enhancing and restoring impaired physical and mental well-being through natural healing factors (mineral springs, climate, healthy drinking water, etc.), health services, sports and recreational and wellness facilities (Zečević, 2004). Bearing in mind the importance of health tourism, it is evident that the future development and diversification of Serbia's tourism offer should include this component. On the other hand, a question that remains to be considered concerns the direction, or component, of health tourism. The problem of health tourism development is complex and covers a wide range of possible services (Živanović & Krstić, 2018).

In the third millennium, with the tremendous advances in technological standards and research in the various sciences, especially medicine, which we are witnessing, people still give greater credibility to complementary than official medicine in terms of safety and cost-effectiveness. It is evident that there is pronounced popularity and the need for the application of complementary medicine in the economically underdeveloped and developed part of the world (Oumeish, 1998). The application of complementary medicine, its techniques and procedures in countries in transition, must be subject to special quality control of the product, due to the lack of adequate quality standards and legislation in this field. Therapies applied in the field of complementary medicine should comply with the ethical principles of medical practice (Anderson et al., 1996).

The subject of this research is the application of certain ethical principles in the implementation of complementary medicine in health tourism from the aspect of medical ethics and business ethics in tourism. The aim of the research is to identify the importance of applying certain ethical principles in the implementation of complementary medicine in health tourism. A combination of different methods was used in the study. In the data collection stage, a bibliographic-speculative method based on reference sources and literature was used. In addition to the method mentioned above, the research is based on a descriptive analytical method.

2. Literature review

Contemporary ethics is most concerned with contemporary philosophy. The complexity of life in the current time, especially at the beginning of the 21st century, and the development of other disciplines that deal with the study of man and all his values closely link contemporary ethics with many sciences. The sciences with which contemporary ethics is most closely linked are on one side social, technical, natural, and especially, medical sciences. The task of ethics as a philosophical science of morality is to penetrate into every moral action. By adopting ethical attitudes, the physician and the healthcare professional should further their ethical ideal in the context of the particularities of medical ethics – to preserve human life – as a primary premise. Ethics should contribute to the understanding that ethical and moral values vary from civilization to civilization, but also during the same civilisation epoch. Ethics in practice proclaims and formulates publicly - codifies certain professional obligations and duties through written documents called codes. Codes of ethics for health care professionals, journalists, lawyers, bar associations, etc. are known. By codifying the social organization, professional associations and society as a whole put themselves in a position to regulate themselves. Violation of codified principles entails accountability within a professional organization, say, through a court of honor. Sanctions include reprimand, public stamping or exclusion from that branch organization. Sanctions, bans on practicing the profession, or bans on dealing with patients for doctors were also established. Finally, the moral rules and norms introduced into the codes are not permanent and unchanging, they change and evolve over time. Codified principles are of limited value, valid for the time for which they were enacted and socially regulated. Due to changing living conditions and social organization, there is a need to change previously adopted and codified ethical principles, which implies and justifies revisions of codes of ethics (Nenadović, 2007).

Health tourism is a journey aimed at obtaining health care. As a promising new branch of the tourism industry, health tourism allows users to solve their health problems when traveling on vacation and enjoying the beauty of a tourist destination. In the past, tourists mostly "stayed" in nature and were passively subjected to natural elements. Today, tourists literally "consume" nature and have very active influence on all the natural elements of the resort. Almost all types of tourism, especially mass tourism, strongly influence the change and degradation of natural resources. Therefore, it is necessary for the further development of tourism activities to be carried out on the principles of sustainable development (Gligorijević, 2013). "Tourism development has an impact on creating different positive and negative environmental effects. Tourism brings foreign exchange flow that strengthens economic development and improves the national economy. However, tourism also brings all those negative consequences, that can affect sustainable local community growth, unless its development is being taken care of. In this way, the tourism can develop significant consequences, some being devastating for surroundings and the environment it is operating in. The cause of this are uncontrolled negative effects on the elements of natural living environment, such as air, water, soil, flora and fauna" (Trišić et al., 2018, pp. 1599–1600).

Today, scientific medicine, based on the knowledge of the advanced sciences and traditional -alternative medicine, is equally persistent. Treatment and treatment methods and procedures that do not belong to scientific or official medicine, and are not taught at colleges and medical schools, are classified as traditional medicine. "The various types of complementary, alternative, unconventional, and integrative medicine in the Old World include the historical, cultural, social, traditional, and philosophical aspects of different civilizations that predominated, mainly in Asian, African, Far Eastern, Middle Eastern, and Arab countries. Most of these types of medicine are still in use today. Many understand that taking into account not only individually physiological and biological conditions, but including psychological, social, ecological and even parallel spiritual dimensions, may reveal the underlying contributing factors to the disease" (Oumeish, 1998, p. 1373). Traditional medicine has a significant place and a number of countries have made significant strides in trying to define the legal framework, as well as experience in the field of regulation of this supplementary or alternative medical branch (World Health Organization, 2005).

Integrative medicine is a new direction in medicine that was created in response to the limitations, primarily of official, allopathic medicine, but also of some branches of complementary and alternative medicine. Integrative medicine involves the use of the best possible treatments and procedures of scientific, allopathic medicine combined with the best complementary and alternative medicine (CAM) methods based on the individual needs of the patient. It integrates, or connects, both medical systems, adapting them to the individual, and using the safest, least invasive and cost-effective approach, integrating them into a holistic understanding of the individual. In its definition of health, the World Health Organization (WHO) emphasized that "health is a multidimensional phenomenon of dynamic equilibrium in which the relationship between an individual and his or her environment, both social and physical, must be understood as integral (holistic)" (World Health Organization, 2002). The basic meaning of an integral (holistic) approach to the advancement of human health is to use the best methods and procedures of official (so-called western, official) and traditional (alternative, complementary) medicine in order to assist the client in the best possible way. Alternative Health Promotion Technologies is a term that refers to the health technologies of traditional, complementary and alternative medicine. By this name, according to prof. Stambolovic, emphasis is given to the theoretical uniqueness of health technologies, which, in their therapeutic effect, are oriented primarily to strengthen the body's self-renewing potential (Stambolović, 1986). The demands and needs of healthcare users worldwide, as well as WHO recommendations, point to different alternative medicine technologies as a significant health care resource (Jović & Stambolović, 2013). Therefore, the need to integrate these health technologies into official health care systems becomes a legitimate issue for national health policy (Sokolov Milovančević et al., 2019). There is still a discrepancy between experiential and statistically documented evidence of the efficacy and effectiveness of alternative medical treatments. This is understandable in some ways, given the paradigmatic differences between alternative and biomedicine, as well as the lack of, or very scarce, funds to fund scientific research on alternative medicine and the holistic model of health and disease (Sharma, 1992).

WHO estimates that between 65 and 80% of the world's population uses alternative medicine as the primary form of health care (World Health Organization, 2002). More than half of the population in Germany and America use some form of traditional treatment, and in the UK 64% of government offices provide this type of healthcare. In Australia, 80% of physicians recommend acupuncture and meditation to their patients, and one quarter of physicians have received training in one or more alternative treatment techniques. Switzerland became the first country in Europe in 2009 to guarantee the right to complementary medical treatment under the Constitution, meaning that complementary medicine technologies are included in the basic package of healthcare services and funded by health care funds (Rist & Schwabl, 2009; Studeli, 2009). All medical systems that view man as energy, which is an indivisible part of everything else that exists, are called by one name holistic medical systems. At the heart of holistic therapeutic approaches is faith in man and counts on the wisdom of a body capable of self-healing. "The physician cures, but it is nature that heals" is an old Latin saying. It is believed that every person has self-healing power that needs to be released, or directed towards healing, balance in the body in case of various health disorders (Bašić & Jović, 2011).

Alternative medicine is not a substitute for official medicine, but provides additional health and healing options. By embracing the principle of wholeness, alternative medicine understands people as individuals and views human suffering as an expression of personal and family history. Accordingly, assistance and support are also individualized. Human suffering cannot be understood by isolated observation of organs and symptoms, which is led by the partialization of official medicine. The full meaning of certain health disorders becomes clear only by inclusion in the whole, both the organism itself and its context (environment, family, social network, living conditions, etc.). A holistic approach starts from the basic idea that the body, mind and spirit form an indivisible whole and that the individual is firmly connected to the environment, family, society and the world in which he or she lives. Holistic attitudes in healing are based on the assumption that the state of health is a reflection of the dynamic balance of body-mind-spirit, and that no segment is viewed as an isolated entity. It should be borne in mind that submission to any holistic method entails a change in lifestyle, including most commonly a change in eating habits, as well as how the client thinks about himself and the environment that surrounds him. In order to choose the conventional or alternative method of health or healing promotion that best suits us, we need to know beforehand what the basic features and approaches that these methods entail (Hellinger & Hevel, 2010).

In the Republic of Serbia, the Law on Health Care defines health care as an organized and comprehensive activity of a society with the primary goal of achieving the highest level of protection of the health of citizens and families. Health care, within the meaning of this Law, includes the implementation of measures for preserving and improving the health of citizens, preventing, suppressing and early detection of diseases, injuries and other health disorders and timely and effective treatment and rehabilitation. Human rights and values in health care imply that every citizen has the right to exercise health care while respecting the highest possible standard of human rights and values, that is, has the right to physical and psychological integrity and to the safety of his personality, as well as respect for his moral, cultural, religious and philosophical beliefs. Given that the goal of health care is to "achieve the highest level of protection of the health of citizens and the family", attempts to combine the knowledge and experience of so-called official and traditional (complementary) medicine in this interest are given their full meaning and importance (National Assembly of the Republic of Serbia, 2019).

The Code of Ethics is a set of formal and informal principles, schemes, regulations and good practices in business conduct. Business ethics defines desirable rules of business conduct that are the framework for action that is allowed or not allowed, but also indicates the basic rules of moral action of the person (Ristić, 2004). Corporate Social Responsibility means acting through the offering of socially beneficial services with a minimum detrimental effect whose consequences are economically acceptable over a long period of time. The significant link between business ethics and socially responsible business that characterizes the global world market is an essential component of the tourism economy. "In today's fast-changing tourism market, the only opportunity to compete for a tourist destination is through the offering of a sustainable tourism product. Sustainable development goes hand in hand with the concept of socially responsible business" (Golja & Kristinić Nižić, 2010).

Articles 3, 4 and 5 of the Global Code of Ethics for Tourism deal with Corporate Social Responsibility: Tourism, a factor of sustainable development; Tourism, a beneficiary of the cultural wealth of mankind and a factor in promotion and Tourism, a work that benefits host states and associations. Article 5 states that the tourism business should be an integral component of the "local economic and social fabric". The last point discusses the need to explore the impact of tourism development projects on the environment and nature by professionals in this field, who, with the greatest possible transparency and objectivity, should provide, information on their future programs and their foreseeable consequences. Tourism professionals should foster dialogue about the content of their future programs with the population involved (Buzar, 2015).

3. Research instruments and methods

Within the research, a combination of different methods was used. In the data collection stage, a bibliographic-speculative method based on reference sources and literature was used. In addition to the method mentioned above, the research is based on a descriptive analytical method. The first part of the paper presents a theoretical framework using a bibliographic-speculative method using a large number of literature sources of domestic and foreign literature, as well as internet sources. The research work involved different methods. Of the analytical, the method of analysis, abstraction and deduction was used.

4. Results and discussion

The ethical peculiarity of the practical application of medical knowledge and skills arose and developed at the same time as the emergence and development of humane medicine. Modern medical ethics has imposed the principles, duties and moral obligations of the medical profession, and there is a need for uniformity in this field for all physicians in the world. The result is the formation of world organizations, such as the World Health Organization and the World Medical Association at the United Nations, the formulation of codes, declarations, resolutions and declarations binding on all countries, or doctors on all continents and all countries. Contemporary medical ethics implies continuous, further development in line with the development and achievements of scientific medicine and increasingly sophisticated medical technology, and the basic principle binding on the physician is: “My patient's interest will always remain my primary concern” (Nenadović, 2007). Deontology in medical practice implies all the obligations of professional persons arising from moral norms and commandments, which are related to the duties and rights of all professions in medicine (physicians, dentists, pharmacists, healthcare professionals, administrative workers in medicine).

Establishing a positive feedback link between morality and law, reflected in the application of adequate legal norms, is the key to addressing potential medical and dental disorders in the application of complementary medicine.

Law on Health Care of the Republic of Serbia 2005 in Chapter XII, “Traditional medicine”, Articles 235, 236 and 237 regulated the field of traditional medicine. The latest Health Care Law of the Republic of Serbia was adopted in early April, 2019. In Chapter XX, Complementary Medicine, Articles 217 and 218 govern this area. Article 217 states that Complementary medicine, within the meaning of this Law, includes those traditional and complementary methods and procedures of prevention, diagnostic evaluation, treatment, nursing and rehabilitation (hereinafter: complementary medicine), which have a beneficial effect on human health or their state of health, and which, in accordance with applicable medical doctrine, are not covered by the methods and procedures of conventional medicine.

The diagnostic assessments referred to in paragraph 1 of this Article entail a set of methods and procedures of complementary medicine used to diagnose the disorder, which are not based on conventional biological mechanisms and cannot serve for the diagnosis of diseases in conventional medicine. The education of health professionals for performing methods and procedures of complementary medicine shall be conducted in accordance with the provisions of this Law related to continuing education. Article 218 states that “only those methods and procedures of complementary medicine are allowed which:

1) do not harm health;
2) do not discourage the patient from using conventional medicine methods and procedures;
3) are performed in accordance with recognized standards of complementary medicine.

Methods and procedures of complementary medicine may be performed in a health care institution or private practice, in accordance with this Law and regulations adopted for the implementation of the Law by a health worker, to whom the Minister has issued a permit to carry out certain methods and procedures of complementary medicine.”

The Minister, on the proposal of the Republican Expert Commission on Complementary Medicine, prescribes more detailed conditions and manner of performing methods and procedures of complementary medicine in a health institution, other legal entity, or private practice, as well as a program of professional training of health workers for performing methods and procedures of complementary medicine (National Assembly of the Republic of Seriba, 2019).

According to the current Rulebook on closer conditions, methods and procedures for performing methods and procedures of traditional medicine, adopted in 2018, the methods and procedures are classified into 13 groups of methods of prevention, diagnosis, treatment and rehabilitation:

1. Ayurveda;
2. Acupuncture and related techniques (needless point and meridian stimulation);
3. Traditional Chinese Medicine;
4. Homeopathy;
5. Phytotherapy;
6. Quantum medicine and related techniques;
7. Chiropractic and osteopathy;
8. Reiki method;
9. Traditional home medicine;
10. Macrobiotics for medical purposes;
11. Aroma therapy for medical purposes;
12. Apitherapy for medical purposes;
13. Qi Gong Exercise, Yoga Exercise, Hata Yoga Exercise and Tai Chi Chuan Exercise for Medical Purposes.

A doctor of medicine and a doctor of dentistry, with appropriate education, can perform all methods. Pharmacists and other healthcare professionals have limitations; Master of Pharmacy can produce phytotherapy, homeopathic and traditional home remedies and apply methods from items 10-13. Second Healthcare Professional - having completed the relevant higher or secondary school of health profession with appropriate education, performs methods of complementary medicine from points 10-13 (Ministry of Health of the Republic of Serbia, 2018).

Individual authors (Zečević, 2004) consider that there are three types of health tourism: healing (only healing and one form of recovery), curative (representing rehabilitation) and wellness (focused on what it means: in a healthy body a healthy mind, that is, a good state of mind and body) (Cohen & Bodeher, 2008). Wellness tourism is a new term that means the universal offering of conditions and procedures for achieving optimal physical and spiritual well-being of individuals. The wellness offer can be realized without the use of natural healing elements and without the supervision of a doctor. Spa tourism is defined as a type of complex health and tourism activity that is carried out in natural spas, in which the treatment and rehabilitation of various diseases and illnesses, recovery and prevention of diseases with the professional application of natural healing elements and procedures of physical medicine and rehabilitation play a key role. A special category is also hospital or medical tourism, which are trips undertaken by individuals for the purpose of hospital treatment and performing certain medical procedures (for example, surgical, dental, etc.). Detailed concepts of wellness megatrends characteristic of wellness and spa philosophy can be found in the literature (Berg, 2008). These are health, long life, individuality, the predominance of women in the spa, modern spirituality and the movement for health. From the aspect of spa innovation, an analysis of the five most important megaturist spa trends is necessary (Abram & Kosińska, 2016). These are: Mediterranean spa, spa, wellness, ethno spa, eco spa. In addition to the wellness phenomenon, innovations in spa tourism health services should concentrate on the application of modern medical technologies and therapeutic cosmetic treatments. Also, this innovative approach should be enriched with elements of culture, tradition and ethnomedicine in resorts, to a greater extent than previously with ecology (Berg, 2008).

In the context of the accelerated globalization of everyday cultural values, especially the rise of international trade and tourism, differences in people's cultures are becoming increasingly visible, as a potential source and cause of the unethical behavior of participants in these world events. The tendency to satisfy economic interests above cultural ones creates negative trends. Such bad influences can be minimized by strengthening cultural interests in behavioral models of both tourists and domicilians. One way of emphasizing the importance of an acceptable and conventional form of such communication and interaction is by codes of ethics, which are intended to remind, in a particular cultural form, the respect for true values in tourist movements (Trišić & Štetić, 2019). The tourism industry promotes codes of conduct as a set of expectations, behaviors and rules, written by large and significant market entities, with a particular focus on culture and the environment, through a form of sustainable development (Presbury & Edwards, 2010; Veljković & Živković, 2018). Codes for tourists are everyday cultural guides that emphasize the type of travel behavior. The basis of the tourist codes is the general culture, as well as the relation to natural resources, language, indigenous population, cultural heritage, acceptable behaviors and customs. Codes of ethics make full sense only if tourists are aware of their importance. The Code should remind tourists of an acceptable and cultured way of behaving in a tourist destination, so that its core values with all geographical, cultural and social characteristics can be experienced at the same time. Tourism ethics and appropriate cultural codes should be as universal as possible (Pokrajac & Štetić, 2017).

United Nations World Tourism Organisation (UNWTO) is the creator of the Global Code of Ethics for Tourism. "UNWTO The Global Code of Ethics for Tourism is a complete set of principles aimed at leading tourism development stakeholders. It is addressed to governments, the private sector, communities and tourists, with the goal of helping to maximize the benefits of tourism while reducing its potentially negative impact on the environment, cultural heritage and societies around the world. Although not legally binding, the Code has a mechanism for voluntary implementation through its recognition by the World Tourism Ethics Committee (WCTE), an independent and impartial body to which interested parties may submit questions regarding the implementation and interpretation of the document. The ten principles of the code cover the economic, social, cultural and environmental components of tourism" (MINT, 2014). These are: the contribution of tourism to mutual understanding and appreciation among people and societies, tourism as a means of individual and collective fulfillment, tourism as a factor of sustainable development, tourism as a beneficiary of the cultural heritage of humanity and a factor in its promotion, tourism as a useful activity for the countries of the community and the host, obligations of independent tourism professionals responsible for development, the right to tourism, freedom of movement, rights of employees and entrepreneurs in the tourism industry and implementation of the Global Code of Ethics for Tourism (UNWTO, 1999).

When it comes to health tourism, the ideal solution for the application of traditional-medical methods of diagnosis and treatment, as well as rehabilitation, are spa-climatic spas, which structurally represent the ideal combination of health resorts and tourist facilities. The structure of spa and climate resorts enables the functional fusion of two very powerful human activities of the third millennium – health and tourism. Ethics in practice proclaims and publicly formulates – codifies certain professional obligations and duties, through written documents – codes, which put social organizations, professional associations and society as a whole in a position to regulate themselves. The application of the ethical principles proclaimed by the International Medical Code of Ethics, as well as the Global Code of Ethics for Tourism, guarantees the safe and effective implementation of complementary medicine in health tourism. Modern medical ethics, based on four basic principles: the principle of respect for life, the principle of fairness (non-discrimination on any basis), the principle of charity (humanity) and the principle of respect for the patient's personality, is the starting point for the application of adequate ethical principles in incorporating complementary medicine into health tourism. The significant link between business ethics and socially responsible business characterizing the global marketplace that offers services that are useful to society and possible harms minimized, so that the long-term consequences of these harms are not unacceptable, is a respectable component of applying adequate ethical principles when incorporating complementary medicine into health tourism. The reconciliation of a strict medical ethical stance on the prohibition of experimentation under any human condition, and a reasoned scientific stance on the inevitability of biological experimentation as a basis for the advancement of medical science, was achieved in the Declaration of Helsinki, according to which biological experiment is allowed only by volunteers if it extends medical knowledge and realizes an immediate benefit to a sick person. The Declaration of Helsinki regulates the ethical principles of the human therapeutic experiment and they are much more lenient. The use of new therapeutic methods is forbidden if the same success can be achieved by existing ones.

The Declaration of Helsinki elaborates on the following principles of a clinical experiment. Clinical experiments may only be performed by scientifically qualified persons, who have already demonstrated a high level of expertise and moral maturity, and if they have been repeated several times in animals or in experimental laboratories and guarantee the success of its application to humans. A proportionate relationship between goal and risk is necessary when conducting a clinical experiment. It is unacceptable to allow a banal disease to be cured through experiment, without the risk being high, or even endangering the health or life of the patient. The Declaration of Helsinki gives the basic principles for biomedical research in general, and then the principles for diagnostic-therapeutic (clinical) and non-therapeutic (non-clinical) biomedical research. In addition to relying on the principles presented in the Declaration, guidelines for their application in biomedical research used to achieve standards in the implementation of complementary medicine methods in health tourism, as part of this research, must equally apply the International Medical Code of Ethics and the Global Code of Ethics for Tourism. Article 2 of the Global Code of Ethics for Tourism discusses the prospects for tourism development: Tourism, as a means of collective and personal fulfillment, says in point 4: "Travels for religious, health, educational and cultural purposes, or for exchange purposes for language learning, are particularly useful forms of tourism, which deserve to be encouraged." Article 6 of the Global Code of Ethics for Tourism, referring to the Obligations of Participants in Tourism Development, states in paragraph 2: "Depending on them, tourism professionals, in cooperation with public authorities, should show concern for the safety, accident prevention, health protection and food security of those seeking their services. They should also ensure that there are adequate insurance and assistance systems in place; should accept the reporting obligations laid down in national regulations and pay fair compensation in the event of non-compliance with their contractual obligations" (UNWTO, 1999).

5. Conclusion

Continuous improvement of the behavioral awareness of tourists within the framework of sustainable tourism development of health tourism is one of the tasks of planning tourism development of this form of tourism worldwide. In order to integrate this activity into the general health-tourism and social development, it is necessary to continuously inform and educate all tourist entities on the correct and ethically acceptable form of using resources in tourism. Given that health tourism resources, especially in the field of complementary medicine, are still insufficiently recognized and used by tourists, particular attention should be paid to tourism planning and commercialization of these tourism resources in accordance with generally accepted ethical principles of sustainable tourism development. By applying the process of health-tourist emancipation, it is necessary to minimize potential conflicts between the guest, the host and the environment in this interaction. One model of successfully overcoming these conflicts is the positive impact of adequate codes of ethics on the development of a health tourism behavior culture.

When it comes to research on the ethical principles of the application of complementary medicine in health tourism, we can conclude that the application of all the principles contained in the Declaration of Helsinki, the International Medical Code of Ethics and the Global Code of Ethics for Tourism, is very significant, given the structure of beneficiary tourists and the range of services provided within health tourism. Balneo-climatic spas are an ideal solution for the application of complementary-medical methods of diagnostics, treatment and rehabilitation, as well as for the application of complementary-medical methods within their rich wellness tourist offer. Establishing a positive feedback link between morality and law, reflected in the application of adequate legal norms, is the key to addressing potential medical and dental disorders in the application of complementary medicine. Modern legal norms, in general, better, more justly and effectively regulate community relations than moral norms can. Compliance with the applicable legislation in the field of complementary medicine will greatly contribute to the adequate implementation of the ethical principles contained in the medical code of ethics relating to this field.

The potentials of complementary medicine in terms of its implementation in the health tourism corpus are still underutilized in our country, so they could be the subject of some future research within which the application of ethical principles contained in the mentioned documents would be an integral part of them.

References

1. Abram, M., & Kosińska, A. (2016). *Ośrodki spa i wellness. Organizacja i funkcjonowanie* [*Spa and wellness centers. Organization and functioning*]. Kraków: Wyd. AWF.
2. Anderson, I. B., Mullen, W. H., Meeker, J. E., Khojasteh-Bakht, S. C., Oishi, S., Nelson, S. D., & Blanc, P. D. (1996). Pennyroyal toxicity: measurement of toxic metabolite levels in two cases and review of the literature. *Annals of Internal Medicine, 124*(8), 726–734.
3. Bašić, S., & Jović, S. (2011). Savremeni koncept i definicije zdravlja. U *Socijalna medicina sa epidemiologijom i higijenom* [*Modern concepts and definitions of the health*]. Niš: Medicinski fakultet.
4. Berg, W. (2008). *Gesundheitstourismus und wellnesstourismus* [*Health tourism and wellness tourism*]. München: Oldenbourg Yerlag.
5. Buzar, S. (2015). Analiza globalnog etičkog kodeksa za turizam u kontekstu društveno odgovornog poslovanja [Analysis of the global code of ethics for tourism in the context of corporate social responsibility]. *Acta Economica et Turistica*, *1*, 41–59.
6. Cohen, M., & Bodeher, G. (2008). *Understanding the global spa industry: Spa management*. Oxford: Elsevier.

7. Gligorijević, Ž. (2013). *Savremeni trendovi i perspektive razvoja turizma* [*Contemporary trends and prospects for tourism development*]. Niš: Ekonomski fakultet.
8. Golja, T., & Krstinić Nižić, T. (2010). Corporate social responsibility in tourism – The most popular tourism destinations in Croatia. *Management*, *15*(2), 107–122.
9. Hellinger, B., & Hevel, G. (2010). *Priznati ono što jeste* [*Acknowledge what you are*]. Beograd: Paideia.
10. Jović, S., & Stambolović, V. (2013). Tradicionalna, komplementarna i alternativna medicina u Srbiji: legalizacija i integracija u zdravstveni sistem [Traditional, complementary and alternative medicine in Serbia: legalization and integration into the healthcare system]. *MD-Medical Data*, *5*(4), 373–378.
11. Ministarstvo turizma Republike Hrvatske (MINT). (2014). *Potpisan UNWTO globalni etički kodeks u turizmu* [*UNWTO global code of ethics for tourism signed*]. Retrieved July 6, 2019 from http://www.mint.hr/default.aspx?id=19146
12. Ministarstvo zdravlja Republike Srbije [Ministry of Health of the Republic of Serbia]. (2018). *Pravilnik o bližim uslovima, načinu i postupku obavljanja metoda i postupaka tradicionalne medicine* [*Ordinance on the detailed conditions, manner and procedure for performing the methods and procedures of traditional medicine*]. Službeni glasnik Republike Srbije, br.16/2018, Retrieved July 6, 2019 from http://www.zdravlje.gov.rs
13. Narodna skupština Republike Srbije [National Assembly of the Republic of Serbia]. (2019). *Zakon o zdravstvenoj zaštiti* [*Healthcare law*]. Službeni glasnik Republike Srbije, br.25/19, Retrieved July 6, 2019 from http://www.zdravlje.gov.rs
14. Nenadović, M. (2007). *Medicinska etika* [*Medical ethics*]. Priština: Medicinski fakultet.
15. Oumeish, O. Y. (1998). The philosophical, cultural, and historical aspects of complementary, alternative, unconventional, and integrative medicine in the Old World. *Archives of Dermatology*, *134*(11), 1373–1386.
16. Pokrajac, S., & Štetić, S. (2017). *Osnovi menadžmenta* [*The basics of management*]. Beograd: Visoka turistička škola strukovnih studija.
17. Presbury, R., & Edwards, D. (2010). Sustainable operations management. In J. J. Liburd and Edwards, D. (Eds.), *Understanding the Sustainable Development of Tourism* (pp. 46–66). Oxford: Goodfellow Publishers.
18. Ristić, D. (2004). *Osnovi menadžmenta* [*The basics of management*]. Novi Sad: Fakultet za menadžment.
19. Rist, L., & Schwabl, H. (2009). *Komplementarmedizin im politischen Prozess: Schweizer Bevolkerung stimmt uber Verfassungsartikel "Zukunft mit Komplemetarmedizin" ab. Forsch Komplemented* [*Complementary medicine in the political process: Swiss population votes on constitutional article "Future with complementary medicine" from. Research complemented*]. Retrived February 15, 2020 from http://www.ayrvedaassociation.eu/files/swiss_referendum_on_cam_-forschkomplemented_2009.pdf
20. Sharma, U. (1992). *Complementary medicine today: Practitioners and patients*. London and New York: Routledge.
21. Sokolov Milovančević, N., Živanović, N., & Kitić, A. (2019). New skills needed for managing the health care sector. *Ekonomika*, *65*(4), 75–86. https://doi.org/10.5937/ekonomika1904075S
22. Stambolović, V. (1986). *Medicina – nadležnost i alternativa* [*Medicine - jurisdiction and alternative*]. Beograd: Prosveta.
23. Studeli, W. (2009). *Switzerland inserts complementary medicine in the constitution*. Retrived February 15, 2020 from http://www.jzk.ch/uploads/files/Press release_ 2009-05 17_E_international.pdf

24. Trišić, I., Štetić, S., & Krstić, V. (2018). Possibilities to prevent negative environmental impacts. *Economic of Agriculture*, *65*(4), 1599–1614. https://doi.org/10.5937/ekoPolj1804599T
25. Trišić, I., & Štetić, S. (2019). Uticaji etičkih kodeksa na svakodnevni razvoj kulture ponašanja u turizmu [Impacts of codes of ethics on the daily development of a culture of behavior in tourism]. *Kultura*, *162*, 121–135.
26. UNWTO. (1999). *Global code of ethics for tourism*. The World Tourism Organization. Retrieved July 6, 2019 from http://www.unwto.org
27. Veljković, M., & Živković, S. (2018). Environmental awareness and well-being as factors of sustainable development. *Economics of Sustainable Development*, *2*(2), 11–17.
28. World Health Organization. (2002). *Traditional medicine strategy 2002-2005*. World Health Organization.
29. World Health Organization. (2005). *National policy on traditional medicine and regulation of herbal medicines: report of a WHO global survey*. World Health Organization.
30. Zečević, B. (2004). *Okrugli sto na temu: Menadžment u banjskom turizmu i specijalni program u banjama* [*Round table on the topic: Spa tourism management and spa special program*]. Vrnjačka Banja: Turistička berza banja.
31. Živanović, S., & Krstić, V. (2018). Phytotherapy from the aspect of spa tourism. In D. Cvijanović, A. Lemmetyinen, P. Ružić, C. Andreeski, D. Gnjatović, T. Stanišić, A. Mićović (Eds.), *Tourism in function of development of the Republic of Serbia*. Thematic proceedings II (pp. 679–696). Vrnjačka Banja: University of Kragujevac, Faculty of Hotel Management and Tourism in Vrnjačka Banja.

Received: 14 November 2019; Sent for revision: 28 February 2020; Accepted: 12 May 2020

A model for preparing manuscripts for submission to the journal Hotel and Tourism Management

Title of the paper in English

Name Surname[1*], Name Surname[2], Name Surname[3]

[1] Institution
[2] Institution
[3] Institution

Abstract: This document presents a model for preparing the camera-ready manuscripts to be submitted for publishing in the journal Hotel and Tourism Management. The abstract briefly summarizes the article, at the same time enabling a reader to assess its relevance. The author(s) should elaborate the **goal** of their research or state the reason for writing the paper. They are additionally required to describe the **methods** used during the research and give a brief description of the **results** and conclusions of the research. The abstract should be between **100 and 150** words long.

Keywords: 3-5 keywords
JEL classification: 10 pt (http://www.aeaweb.org/jel/jel_class_system.php)

Naslov rada na srpskom jeziku

Sažetak: Ovaj dokument predstavlja obrazac za formatiranje radova tako da izgledaju kao da su već spremni za štampu. Sažetak predstavlja kratak informativni prikaz sadržaja članka koji čitaocu treba da omogući brzu i tačnu ocenu njegove relevantnosti. Autori treba da obrazlože **cilj** istraživanja ili navedu razlog zbog koga pišu članak. Zatim, potrebno je da opišu **metode** korišćene u istraživanju i ukratko opišu **rezultate** do kojih su došli u istraživanju. Sažetak treba da sadrži od **100 do 150** reči.

Ključne reči: 3-5 ključnih reči
JEL klasifikacija: 10 pt (http://www.aeaweb.org/jel/jel_class_system.php)

1. Introduction

Papers should be written **in English** using Microsoft Word for Windows. The minimum number of pages is **6** full pages, whereas the maximum number should not be higher than **10** full pages including the text, figures, tables, references list and appendices. The page should be formatted as **B5 (JIS)**. Allow **20mm** for the bottom and top margins and **25mm** for the left and right margins on a page. The line spacing within a paragraph is single whereas the spacing between two paragraphs is **6pt**. The text should be written using **Times New Roman** font. The maximum number of authors per paper is three.

---

* e-mail address of the correspondent author

** For papers that are a part of a project or a programme, the title and number of the project, i.e. programme, and the name of the institution supporting the project.

*** If the paper was previously presented at a scientific gathering (with the same or similar title), please, specify.

2. Background

The title page should contain the Title of paper in English (16pt). Names of authors, institutional affiliation, addresses and e-mail addresses should be typed as shown at the previous page. After the address of the last author, leave an empty row followed by a short abstract (10pt). Keywords should follow the abstract. Below the keywords, the title of paper and the abstract are to be given in Serbian.

For numbered first-level subtitles use a bold font of 12pt whereas a bold font of 10pt is used for second-level subtitles. The text and the references list should be written using the font size 10pt.

3. Materials and methods

Materials and Methods section should provide a reader with sufficient details and argue all the necessary aspects in order to allow other researchers to replicate the research and build the published results.

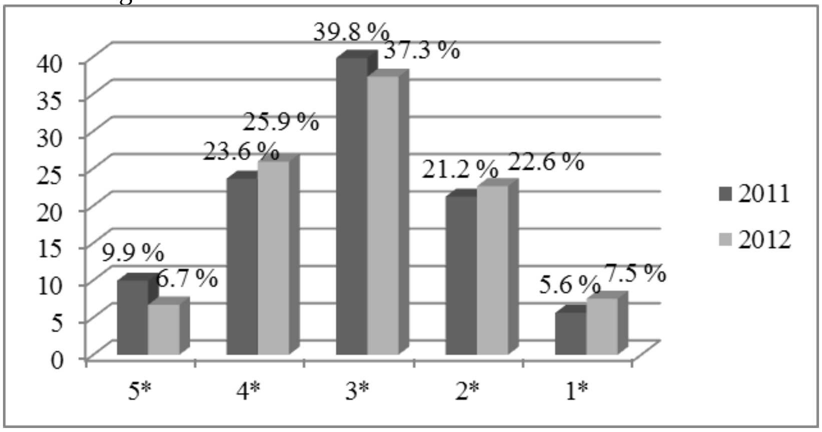
4. Results and discussion

The results obtained in the research should be described in this section. The discussion should highlight the main findings.

Figures, tables and equations

All illustrations whether diagrams, photographs or charts are referred to as Figures. The name and number of figures should be centered on the line above a figure.

Figure 1: Percentage of rooms in the structure of hotel accommodation in 2011 and 2012



Source: Ministry of Finance and Economy of the Republic of Serbia, 2013

The equations are written using Microsoft Word (MathType); they are consecutively numbered and centered.

$$PVo = \frac{FVn}{(1+i)^n} \tag{1}$$

The name and number of tables should be centered above the table.

Table 1: Percentage of rooms in the structure of hotel accommodation in 2011 and 2012

Category	**2011**	**2012**	**Number of rooms (2011)**	**Number of rooms (2012)**
5*	9.9	6.7	1,452	990
4*	23.6	25.9	3,486	3,911
3*	39.8	37.3	5,895	5,636
2*	21.2	22.6	3,102	3,420
1*	5.6	7.5	1,133	1,132
Total	100	100	15,068	15,089

Source: Ministry of Finance and Economy of the Republic of Serbia, 2013

If the study findings were presented graphically or in a table, author(s) are encouraged to state the source below the picture or table in the following form: Author's research.

The paper with all tables and figures should be sent as one data bank. Besides, all figures and tables (grayscale) should be sent as separate files in JPF or TIFF formats with the smallest resolution of 300dpi.

5. Conclusion

Conclusion summarizes the results achieved during the research.

References

The reference list should not contain sources which were not used in the paper. **All the sources mentioned in the paper should be hyperlinked to the corresponding sources in the bibliography** (e.g.: Luque-Martinez et al., 2007). Use the author's last name and year of publication as the bookmark (for example Luque_Martinez_et_al_2007).

When giving references, APA system of referencing should be used. For more information see *Publication Manual of the American Psychological Association* (6th ed.).

When citing an author in the text, if the author and the original words are mentioned, the year of publication of the cited text should be given in parentheses after the author's name, whereas the number of the cited page should follow the last sentence of the citation, e.g. according to Đurković (2007), "the cited text" (p. 10). When the author is not mentioned in the sentence, his surname, the publishing year and the cited page number should be given in parentheses at the end of a sentence. When paraphrasing or summarizing, the page number is not necessary (Đurković, 2007). Citations of two or more references of the same author published in the same year should be stated in the following way: (Harish, 2008a; Harish, 2008b). If there are two authors of the cited text, surnames of both authors should be given in the following way (Tew & Barbieri, 2012). Citations of references in the text to papers of three or more authors should be stated as follows: (Luque-Martinez et al., 2007). When citing the resource without pagination (e.g. electronic resources), the author's surname and the publishing year should be given. The author being a corporation or an organization, name of the organization/corporation and the publishing year should be provided (Ministry of Finance and Economy of the Republic of Serbia, 2013). If you refer to multiple sources in the same sentence, list them alphabetically (Harish, 2008; Luque-Martinez et al., 2007; Tew & Barbieri, 2012).

All **references** should be given at the end of the text in an alphabetical order. Authors should note that all references must be provided in the original language, while the title of the references that have not been published in the English language should be translated and provided after the original title, in square brackets. Indicate the titles of publications in lowercase style. There follow the examples of APA style for citing different types of text (a book, a paper published in a journal, a paper published in proceedings, electronic resources, etc.).

One-author book
E.g.: Hrabovski Tomić, E. (2009). *Destinacije zdravstvenog turizma* [*Medical tourism destinations*]. Novi Sad, Srbija: Prometej.

A multiple-author book
If there are more authors, they are all named. Before the name of the last author '&' is used. When there are more than seven authors, the names of the first six are given and the name of the last author is preceded by '…'.
E.g.: Barrows, C. W., & Powers, T. (2009). *Introduction to the hospitality industry* (7th ed.). Hoboken, New Jersey: John Wiley&Sons, Inc.

A book, translation
E.g.: Spic, E. H. (2011). *Umetnost i psiha: studija o psihoanalizi i estetici* [*Art and psyche: A study of psychoanalysis and aesthetics*]. (A. Nikšić, Transl.). Beograd, Srbija: Clio.

A book with an editor, anthology
If a book is an anthology, editor is considered to be the author of the book. In such a case, his or her name is followed by (Ed.). If there is more than one editor, then use (Eds.).

E.g.: Đurković, M. (Ed.) (2007). *Srbija 2000-2006: država, društvo, privreda* [*Serbia 2000-2006: State, society, economy*]. Beograd, Srbija: Institut za evropske studije.

A paper published in proceedings
E.g.: Feret, K. (2011). Serbia and Poland on map of the global air cargo shipment. In V. Babić (Ed.), *Contemporary Issues in Economics, Business and Management - EBM 2010* (pp. 3-16). Kragujevac, Serbia: Faculty of Economics University of Kragujevac.

One-author paper published in a journal
E.g.: Harish, R. (2008). Brand architecture and its application in strategic marketing. *The Icfai University Journal of Brand Management*, *7*(2), 39–51.

Two-author paper published in a journal
If the cited paper is given a DOI number, it should also be included.
E.g.: Tew, C., & Barbieri, C. (2012). The perceived benefits of agritourism: The provider's perspective. *Tourism Management*, *33*(6), 215–224. https://doi.org/10.1016/j.tourman.2011.02.005

A paper with more than two authors published in a journal
E.g.: Luque-Martinez, T., Castaneda-Garcia, J. A., Frias-Jamilena, D. M., Munoz-Leiva, F., & Rodriguez-Molina, M. A. (2007). Determinants of the use of the Internet as a tourist information source. *The Service Industries Journal*, *27*(7), 881–891. https://doi.org/10.1080/02642060701570586

An article with a known author
E.g.: Mišić, M. (2012, February 1). Ju-es stil smanjio gubitke [US steel has cut losses]. *Politika*, p. 11.

An article with no author given
E.g.: Straževica gotova za dva meseca [Straževica finished in two months]. (2012, February 1). *Politika*, p. 10.

A thesis
E.g.: Dewstow, R. A. (2006). *Using the Internet to enhance teaching at the University of Waikato* (Unpublished master's thesis). University of Waikato, Hamilton, New Zealand.

Documents or data bases taken from the Internet, a private or official Internet page with a known author
E.g.: Kraizer, S. (2012). *Safe child*. Retrieved October 29, 2012 from http://www.safechild.org/

Documents or data bases taken from the Internet, a private or official Internet page with an unknown author
E.g.: *Penn State Myths*. (2006). Retrieved December 6, 2011 from http://www.psu.edu/ur/about/myths.html

Documents or data bases taken from the Internet, a private or official Internet page with an organization or corporation as an author
E.g.: Ministarstvo finansija i privrede Republike Srbije [Ministry of Finance and Economy of the Republic of Serbia]. (2013). *Informacije o turističkom prometu u Srbiji* [*Information on tourist traffic in Serbia*]. Retrieved February 6, 2013 from http://www.turizam.mfp.gov.rs/index.php/sr/2010-02-11-17-24-30