APSTRACT

Applied Studies In Agribusiness And Commerce

http://www.apstract.net

Vol. 8. Numbers 4. 2014

Aberdeen, Belgorod, Belgrade, Budapest, Berlin, Cork, Debrecen, Fayetteville, Hohenheim Kazan, Kiev, Nitra, Novi-Sad, Podgorica, Prague, Stavropol, Ulan-Bator, Warsaw, Wageningen, Zagreb

Agroinform Publishing House

www.agroinform.com

Applied Studies in Agribusiness and Commerce

APSTRACT

Official Periodical of the International MBA Network
in Agribusiness and Commerce AGRIMBA

Vol. 8. Number 4. 2014

AGROINFORM
PUBLISHING HOUSE

Editor in Chief:
Prof. Dr. dr. Hc. Wim Heijman, Wageningen University, The Netherlands

Deputy Editor:
Prof. Dr. dr. Hc. András Nábrádi, University of Debrecen, Hungary

Executive Editorial Board:
Dr. Andrei Babenko, Tomsk State University, Russia,
Dr. Elena Kovtun National University of Life and Environmental Sciences of Ukraine, Ukraine
Dr. Erdenechuluun Tumur Mongolian State University, Mongolia, **Dr. Guzalia Klychova,** Kazan State Agrarian University, Russia,
Dr. Ivana Ticha, Czech University of Life Sciences Prague, Czeh Republik**, Dr. Josip Juracak,** University of Zagreb, Croatia
Dr. Kalna Dubinyuk Tetyana, NULES Kiev, Ukraine, **Dr. Ksenia Matveeva,** Kazan State Agrarian University, Russia
Dr. László Kárpáti, California Consulting, Ltd. Hungary**, Dr. Mario Njavro,** University of Zagreb, Croatia**,**
Dr. Olena Slavkova, Sumy National Agrarian University, Ukraine**, Dr. Olga Lisova ,** Stavropol State Agrarian University, Russia
Dr. Shamil Validov, Kazan Federal University, Russia**, Dr. Svyatoslav Serikov,** Stavropol State Agrarian University, Russia
Dr. Tatiana Litvinenko, Belgorod State Agricultural Academy, Russia**, Prof. Dr. David McKenzie,** Scotland Rural College, Aberdeen, UK
Prof. Dr. dr. Hc. Peter Bielik, Slovak Univerity of Agriculture, Slovakia**, Prof. Dr. Breslavets Pavel,** Belgorod State Agricultural Academy, Russia
Prof. Dr. Bruce Ahrendsen, University of Arkansas Fayetteville, USA**,**
Prof. Dr. dr. Hc. Jan Hron, Czech University of Life Sciences Prague, Czeh Republic
Prof. Dr. Dragoljub Janković, Mediterranean University, Montenegro**,**
Prof. Dr. Edward Majewski, University of Life Sciences Warsaw, Poland
Prof. Dr. Zorica Vasilević, University of Belgrade, Serbia

Honorary Editors:
Dr. Akimi Fujimoto, Tokio University of Agriculture, Japan, **Dr. Garth Entwistle,** Scotland Rural College, Aberdeen, UK,
Dr. Jim Booth, Aberdeen, Scotland, UK, **Dr. Judit Ipate,** Romanian Academy of Sciences CSRAB, Bucharest, Romania
Dr. Mary McCarthy, University College Cork, Ireland, **Dr. Ranjith Ihalanayake,** Victoria University, Melbourne, Australia,
Dr. Robert Kowalski, University of Wolverhampton, UK, **Dr. Simon Heath,** ICA, Gent, Belgium,
Prof. Dr Drago Cvijanović, Balkan Scientific Association of Agricultural Economists, Serbia
Prof. Dr. Ajay Kr. Singh, Delhi School of Professional Studies and Research Delhi, India,
Prof. Dr. Anu Singh, Guru Gobind Singh Indraprastha University, India, **Prof. Dr. Csaba Forgács,** Corvinus Universty, Hungary
Prof. Dr. Danilo Tomic, Serbian Association of Agricultural Economists, Belgrade, Serbia,
Prof. Dr. dr. Hc. Harald von Witzke, Humbold University, Berlin, Germany, **Prof. Dr. dr. Hc. Mark Cochran,** University of Arkansas, Fayetteville USA,
Prof. Dr. dr. mpx. Hc. Dr. Csaba Csáki, Corvinus University, Budapest, Hungary, **Prof. Dr. dr. mpx. Hc. József Popp,** University of Debrecen, Hungary,
Prof. Dr. Drago Cvijanović, Balkan Scientific Association of Agricultural Economists, Serbia **Prof. Dr. Elena Botezat,** University of Oradea, Romania,
Prof. Dr. Govind Prasad Acharya, Tribhuvan University, Kathmandu Nepal, **Prof. Dr. Harry Bremmers,** Wageningen University, The Netherlands,
Prof. Dr. K.V. Bhanu Murthy, University of Delhi, India, **Prof. Dr. Mária Vincze,** University of Babes Bolyai, Cluj, Napoca, Romania,
Prof. Dr. Nebojsa Novković, University of Novi Sad, Serbia, **Prof. Dr. Patrick De Groote,** Hasselt University, Belgium,
Prof. Dr. Qin Fu, Chinese Academy of Agricultural Sciences, Bejing, China, **Prof. Dr. Ramesh B.,** Goa University, India,
Prof. Dr. Reiner Doluschitz, Hohenheim University, Stuttgart, Germany, **Prof. Dr. Slobodan Ceranić,** University of Belgrade, Serbia,
Prof. Dr. Xavier Gellynck, University Gent, Belgium, **Prof. Dr. Zoltán Lakner,** Corvinus University, Hungary
Prof. Dr. Zoltán Szakály, University of Debrecen, Hungary

Reviewer Board:
Dr. Erika Könyves, Dr. Anetta Müller, Dr. Éva Bácsné Bába, Dr. Zsolt Polereczky,
Dr. György Szabados, Dr. Veronika Fenyves
Dr. Katalin Vargáné Csobán, Dr. Krisztina Kormosné Koch

English Editor:
Dr. Troy B. Wiwczaroski, University of Debrecen, Hungary
George Seel, University of Debrecen, Hungary

Associate Editor:
Krisztián Kovács, University of Debrecen, Hungary
This number is published with the financial support of
University of Debrecen, Faculty of Economics and Business, Hungary

APPLIED STUDIES IN AGRIBUSINESS AND COMMERCE
Official Periodical of the International MBA Network in Agribusiness and Commerce
Editorial office: Debrecen University, H-4015 P.O. Box 36.
Phone, fax: + (36-52) 526-935
Executive publisher: Agroinform Publishing House Hungary – www.agroinform.hu
Typography: Opal System Graphics www.opalsystem.com

HU-ISSN 1789-221X – Electronic Version: ISSN 1789-7874
Home Page: http://www.apstract.net @ E-mail: editor-apstract@agr.unideb.hu

Listed by the following directories:
AgEcon search, LogEc, RePec, IDEAS, Cabell's Directoties, CitEc

Contents

QUALITY-SATISFACTION-LOYALTY: CONSUMER BEHAVIOUR IN CATERING

Mária Rudolfné Katona[1] & Nándor Komáromi[2]

[1]*BBS CCCT Budapest Business College of Commerce, Catering and Tourism Faculty*
9-11. Alkotmány u. Budapest, 1054, E-mail: agrol@t-online.hu
[2]*Szent István University, 1. Páter Károly u. Gödöllő, 2100, E-mail: Komaromi.Nandor@gtk.szie.hu*

Abstract: Our study is the result of the initial research of a qualitative and quantitative research consisting of more stages. The survey was made between 2007 and 2013 and specially focused on the satisfaction of Hungarian customers of catering enterprises with hot kitchen as well as on factors influencing satisfaction and customer loyalty. The results proved that a well planned, central strategy cannot be prepared for the whole catering industry as even enterprises with the same profile (warm food kitchen) show significant differences. The most important task for an enterprise is to establish and know its appropriate clientele well in order to suit its services, selection to their requirements.

Our assumption that customers of fast food restaurants, canteens have lower expectations from selection, personal relations, quality of services than customers of restaurants, public houses, wayside inns, brasseries with traditional methods of selling was proven. In the lattest, the main aspect of choosing a 'favourite place' was the quality of human relations, with the special role, besides other customers, of the staff. Establishing unique atmosphere to the liking of customers can be regarded as an important point of the operational strategy.

It was also proven that the majority of regular customers of restaurants are men, coming from the economically active population. Other active users are youngsters, they mainly go to fast food restaurants.

More impersonal advertisements hardly have any effect, while successful word of mouth propaganda can be achieved by consequent, high level work.

Regular customers can be characterized by rather emotional than market-based attachment. Favourite units are mainly preferred because of their atmosphere, relationships with acquaintances and friends, not because of measurable features, selection or prices.

Those visiting catering enterprises with hot kitchen more frequently are more critical and less satisfied, in spite of this, they are reluctant to part from their regular places.

Keywords: catering, consumer behaviour, loyalty, satisfaction, regular customer

Introduction

In our country, the rate of visiting catering enterprises with hot kitchen is much lower than in other countries, exceptions to this are fast food premises and canteens. Hungarian customers mainly insist on specific catering premises on emotional basis, so it is easier to establish their loyalty and it remains more constant.

Hungarian customers are reluctant to open towards novelties. They find it hard to change their regular places even if there are more arguments for changing than against it. Their taste is basically conservative so it is hard to operate such catering unit in a profitable way permanently where unknown, perhaps exotic dishes, beverages of other nations are sold. Hungarians are willing to try novelties, but according to the results of our research, rarely select them to be their regular places. The daily use of catering enterprises with hot kitchen is more characteristic of those being in their active age than of other age groups. The frequency of visits mainly depends on the size discretionary income. Hungarian youngsters prefer fast food restaurants to traditional ones.

We think, revealing the connections between quality, satisfaction and loyalty could provide broad guidelines for the Hungarian catering enterprises with hot kitchen to establish their strategy in order to achieve more profitable operation.

Keeping customers is one of the determining elements of business success. Researches prove (*Reicheld,* 1996; *Oliver,* 1999) that the acquisition cost of acquiring a new customer equals five times that of keeping an old customer. Returning customers are less price sensitive, buy more, reaching them costs less due to decreasing marketing costs, while they are willing to pay more, to recommend the company to others and to spread the good reputation of the enterprise. (*Reicheld,* 2000; 2003; *Hetesi-Rekettye,* 2005).

The question in the focus of our survey is whether satisfied customers return or perhaps dissatisfied ones as well. How strong is the connection with relation to satisfaction and loyalty? In our study we attempt to reveal the specific features of becoming regular customer.

According to *Kotler* (1988), "customers are satisfied if products suit their previous expectations". Researches of *O'Neill and Mattila* (2004) prove that "improving customer satisfaction clearly goes with financial advantages, although targeting customer satisfaction obviously generates costs". According to them, satisfaction is a performance evaluation based on previous experience.

The importance of human factor is also emphasized by the comprehensive work of *Veres* (1998) about service marketing, taking account of the abstract nature of service. Studying the literature of marketing, we experienced that satisfaction in itself does not contribute to the long term profit of enterprises, focus must primarily be put on loyalty. *Deming* (1986) formulated first that in the future "it will not be enough to have such consumers who are merely satisfied" According to *Reicheld* (2003), loyalty does not necessarily mean repurchase, rather making the product popular as repeated visit can also be the result of necessity or laziness. In the Hungarian literature mostly *Hetesi* and *Rekettye* (2005) dealt with loyalty. Based on their researches, they determined the intention of repurchase, cross purchases, price sensitivity and recommendation to others as the conceptual elements of loyalty. Signing the factors of abandonment (cross purchase, price flexibility) besides repurchase appears as a novelty by them and they regard recommendation to others as a criterion of loyalty.

Loyalty of guests can be functional or emotional (*Barnes,* 2003). Functionally loyal ones prefer the comfortable location of catering premises, their easy accessibility and favourable opening hours. For emotionally loyal ones comfort is important, but they find it more important to be greeted by their names, chatting with them, obtaining some kind of experience along with their purchase. Although both groups show satisfaction, the functionally loyal group is less insistent.

Customers decide on changing or staying by their evaluation of the service. The sense of higher changing costs (time, money, effort) result in a higher degree of loyalty and the intention of repeated purchase. However, the question arises, what the change cost burden on the user of catering is as he/she hardly has to count with any administrative, financial or relationship changing cost. Does it stimulate loyalty to the catering premise?

Our previous researches showed (*Rudolfné-Karakasné,* 2008) that satisfaction related to the atmosphere of catering premises has a positive effect on loyalty, which results in favourable world of mouth propaganda. Satisfaction related to human factors is also of primary importance, which emphasizes the role of human resource. Well-qualified colleagues with proper attitude are an invaluable source of establishing customer loyalty.

Material and method

The research started in 2007 before the economic crisis and was closed by follow-up in the spring of 2013. After setting targets, formulating hypotheses, determining the limits of research, work continued with collecting secondary information. The so-called „desktop research" provided a good base for continuing the research. Besides the available Hungarian and foreign language literature, we used, among others, the research results of KSH (Hungarian Central Statistical Office) and GFK Hungária as well as on-line information systems.

During our primary research we applied qualitative and quantitative techniques as well. In order to formulate hypotheses precisely, we made deep interviews with knowledgeable professionals individually, which were followed by two interviews with focus groups. we did one of them with the participation of the students of BBS CCCT, who often use catering with hot kitchen; the members of the other group were middle aged, mostly graduated people, who rarely use restaurant catering. Due to an R&D work, interviewers asked 120 enterprises dealing with catering based on a detailed questionnaire developed by me.

We developed a questionnaire for quantitative research by the application of the results of qualitative researches. In order to filter errors, test interviews, then pilot-interviews were made in the range of BBS CCCT students (150 persons).

For easier completion, we applied mostly closed, selective questions (Likert scale) so processing (coding, data recording, evaluation) was also easier.

For the first time, the questionnaire was filled in by 541 persons in evaluable form. The research was oriented on Hungarian customers exclusively. In the cover letter, we called the attention of the interviewees to the fact that if they hardly ever use catering premises with hot kitchen, they should only provide their personal data. The questionnaires of the first completed survey were printed or sent by e-mail. We applied SAS programme for processing.

During follow-up 339 evaluable questionnaires were created, all of which we transmitted by the programme *kérdőívem.hu.* We also received the data sheets of processing by this programme. We applied the method of snowball during both surveys.

The results of the initial quantitative research are recorded in this study.

Results

Criteria of interviewees

The ratio of women compared to the whole population is 5% more than that of men according to the demographic data of the KSH, however, in the case of the customers of catering premises, the ratio of men and women is 2/3-1/3. In the strategy of catering enterprises it is worth paying more attention to women as a new target group, thus increasing the number of customers.

Table 1. Distributions according to age groups (%)
(n=541)

Age group	Population	Questionnaire
0-18	19.95	0.74
19-25	9.10	39.56
26-35	16.06	22.92
36-50	19.65	18.30
51-62	16.79	14.97
63-75	12.08	2.59
76-X	6.36	0.92
Total	100.00	100.00

Source: own edition

The respondents of the questionnaires represent the age composition of the whole Hungarian population (table 1.) well. More significant difference was shown in three age groups. The ones under the age of 18 do not have their own income and rarely decide on the selection of premises, while members of the age group over 63 years are typically retired, thus they do not have sufficient discretionary income for the use restaurant catering. The higher ratio of those between 19 and 25 years is due to more simple accessibility and more regular attendance of premises (fast serving premises, pizzerias).

Table 2. Distributions according to educational levels (%)
(n=541)

Educational level	Population	Questionnaire
Primary school	39.22	0.92
Vocational school	23.93	8.13
Maturity exam	22.56	44.73
College, university	14.29	46.21
Total	100.00	100.00

Source: own edition

The ratio of graduates from secondary and high education is much higher between the respondents of the questionnaires compared to the total Hungarian population (table 2.). With their higher incomes, they are the ones who rather purchase restaurant meals. The ones with lower education, due to their more modest wages and different consumer habits, attend catering premises with hot kitchen only very rarely, thus, in their case, we cannot even speak about loyalty.

Nearly half of the respondents of our analysis lived in Budapest or near Budapest (table 3.), which enabled me to obtain replies relevant to the topic. Already the qualitative examinations showed a greater extent of increase in the number of restaurants, thus the number of favourites with the size of the towns than of the increase of the population figures. Catering premises with hot kitchen, which form the basis of this survey, can mainly be found in larger towns. 30% of the Hungarian population live in villages, where we could hardly find such business profiles so our survey is not valid thereto.

Table 3. Regional distribution (%)
(n=541)

Regional distribution	Population	Questionnaire
Budapest and its surroundings	24.50	48.06
Large town in the countryside	19.62	20.33
Small town	25.42	20.70
Village	30.47	10.91
Total	100.00	100.00

Source: own edition

While only 38% of the Hungarian population are employees, nearly 53% of our respondents were such (table 4.) Those who most often attend catering premises with hot kitchen are employees, thus we could rely on evaluable replies based on this aspect.

Table 4. Distributions according to economic activities (%)
(n=541)

Economic activity	Population	Questionnaire
employed	38.10	52.87
unemployed	4.60	1.11
inactive wage-earner	30.50	9.06
dependent	26.70	36.97
Total	100.00	100.00

Source: own edition

An important target group of the catering premises consists of such students in higher education who also do gainful activities besides their studies. Households of respondents containing three-four persons represent higher ratios compared to the resident population. Based on this it can be stated that mostly single ones go to the catering premises under survey.

Distribution of catering premises according to their character

One of our hypotheses, that is, Hungarians are quite conservative in gastronomy, was proven by the examination of the character of catering premises. Nearly 60% of respondents prefer traditional places, one fifth of them signed Hungarian style catering premises. The smallest ratio (13%) contained those preferring the cuisine of other nations, while number of votes on special (e.g.: thematic) premises was negligible. Insisting on usual, tried flavours makes the establishment of Hungarian clientele in restaurants with special flavours more difficult.

The replies of respondents show that restaurant is the most preferred, that is, 'favourite' business profile within the catering business circle with hot kitchen. Just over half of the respondents voted on this. The proportion of restaurants and brasseries with more family-like atmosphere is 12% and 10%, cafes represent 7%, while wayside inns, cookshops, fast food premises have 19-20% of the replies. Based on these, it can be rightly concluded that most of the respondents selected better quality catering premises providing higher level of services to be their favourite premises. However, we assume that these catering premises serve not the daily eating requirements of their Hungarian users, their attractions derive rather from celebrations, events and companies.

We also asked where they learnt about the premises that later became their favourites. The answers showed that advertisements and others communication devices did not achieve the desired effect, total proportion thereof is less than 5%. Thus, it is to be considered by catering professionals whether it is worth spending significant amounts on advertisements. However, in the case of new, high level restaurants, publicity is important in the initial part of their lifecycles, we suggest the use of active marketing activity.

Regarding favourite catering premises, nearly half of the respondents were recommended the signed enterprises with hot kitchen, that is, word of mouth propaganda worked well. It can be supported by figures that a prospective customer is most influenced about his selection by another customer who has already been to the premise, which must motivate the profession to provide the best and most hospitable catering. To err is not possible, as word of mouth propaganda is even stronger in creating negative publicity. 45% of the respondents decided based on the aspects of comfort (they live or work near), they are functionally loyal, that is, they become regular customers to a lesser extent or more slowly.

Data received to our question regarding the regularity of attendance are also not encouraging for the future of the profession. 73% of respondents use catering enterprises on monthly basis or even more rarely and only 6% eat in them daily. Making attendance more frequent is hindered by the price sensitivity of Hungarian customers as well as by their preference of home meals.

Connections between satisfaction, loyalty and relationship

The second large unit of the questionnaire contained the detailed survey of customer opinions. we expected evaluation to 35 statements, 14 thereof referring to satisfaction, 6 to loyalty and 15 to relationships. Respondents had to rank them in compliance with school grading (Likert scale, 1-5).

Answers of customers to the subject of 'satisfaction'

Statements of the topic of satisfaction (table 5.) refer to catering premises with hot kitchen, thus the number of negative opinions deriving from dissatisfaction is insignificant.

Table 5. Statements of the topic of satisfaction

1	Staff is friendly, attentive
2	Staff/management cares about my requirements
3	Speed of service
4	Selection of food and beverages
5	Quality of food
6	Proper price/quality ratio
7	Services: music, private room, reservation
8	Accessibility of catering premise
9	Availability of car parking
10	Environment, external view of catering premise
11	Atmosphere of restaurant (furniture, interior design)
12	Cleanness of place
13	Opening hours of catering premise
14	Clientele

Source: own edition

When customers provided their opinions about their favourite places, the number of *indifferent* and *satisfied* replies besides the expected *very satisfied* appeared with surprising frequency, related mostly to the environment and prices. More than half of the customers were very satisfied with the staff. Considering satisfaction, the atmosphere of catering enterprises and the attitude of their staffs proved to be much more important than quality, selection or prices.

Results of the topic of 'loyalty'

By the statements of the subject of loyalty (table 6.), we examined the loyalty of customers (table 7.) and their market-based approach (table 8.). In the latter case, we were searching the reply to how much benefiting from market advantages, that is, prices and offers of competitors, matters.

Table 6. Statements of the topic of loyalty

1	Consider myself a loyal guest (regular customer) here.
2	Even if its prices were risen, i would remain its guest.
3	If a competitor offered more favourable prices or discounts, i would select that one.
4	In the near future – if i could afford it – i would visit this place more often.
5	It is important to me to select the catering unit, which is near to me.
6	It is important to me to select one with suitable quality.

Source: own edition

By the survey from the aspect of their loyalty, nearly one quarter of customers consider themselves loyal, 27-28% of them are indifferent to the question and merely 1.5% do not consider themselves absolutely loyal. In contrast with this, 45% of respondents are indifferent to, while 18% of them categorically reject market-based approach. We can state that customers insist on their favourite catering premises much more on emotional basis than rationally.

Table 7. Loyalty

Loyalty	Frequency	Percentage (%)
1	0	0.00
2	8	1.48
3	148	27.36
4	283	52.31
5	102	18.85
Total	541	100.00

Source: own editio

Table 8. Market-based approach

Market-based approach	Frequency	Percentage (%)
1	21	3.88
2	78	14.42
3	244	45.10
4	161	29.76
5	37	6.84
Total	541	100.00

Source: own edition

Research of "relationships" between interviewees

Table 9. contains statements referring to the survey of the importance of relationships. Based on the replies it is shown that the personal, emotional insistence of customers on their favourite catering premises is much stronger than their market-based approach, although there is a considerable variation between their opinions.

Table 9. Statements of the subject of relationships

1.	Staff/management knows me well.
2.	My relationship with my favourite premise is very important to me.
3.	Maintaining my relationship is worth every effort (time, distance, travel, etc.)
4.	I am very cautious about selecting new catering premises.
5.	I like trying new, unknown things, just for a change.
6.	I constantly compare catering units in similar categories.
7.	The attractiveness of my catering premise had a great role in my selection of this unit.
8.	I had visited more similar catering premises before selecting this one.
9.	Selecting a good catering premise is an important decision to me.
10.	The catering premise I am customer of reveals a lot about me.
11.	After selecting this place, I was considering the advantages and disadvantages of my decision.
12.	It is important to me to be able to meet my friends here.
13.	Here I can also meet such people (e.g.: business relations) who are important to me.
14.	My family members/friends also enjoy being here.
15.	I would kindly recommend this place to my friends, colleagues and their families.

Source: own edition

We classified the replies received to the above statements into five logical groups (order number of statements is shown between the brackets):

1. character of regular place (2-3)
2. friendly, business relationships (12-15)
3. selection of favourite place (4-9)
4. prestige (10-11)
5. personal relationship (1)

Figure 1. shows the compounds of the relationship.

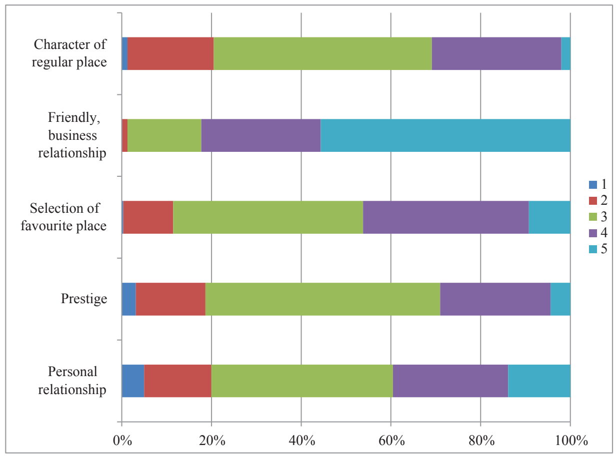


Figure 1. Components of the relationship in the case of a favourite place

Based on the scale (1 very much does not agree, 2 does not agree, 3 indifferent, 4 agrees, 5 very much agrees) it can be stated that the ratio of those regarding the indicated five aspects important is higher in every case than that of those who feel it less important. Creating ranking: customers regard prestige and maintaining relationship with their regular places the least determining. It is followed by personal relationship, then the two points considered most important in the field of relationships: the thoroughness of selecting favourite places as well as friendly and business relationships (according to 82% they are important and very important). They regard the most significant that their family members and friends also feel good there and they gladly recommend the catering premise to their friends, colleagues and families. Thus, a catering premise can obtain more customers not by indirect and at the same time more impersonal advertisements, but by transmitting satisfied and loyal clientele.

Correlations between the opinions of customers and their objective features

In order to reveal correlations, we examined two-dimensional cross tables that were necessary to differentiate between the subjects of satisfaction, loyalty and relationships based on the features of customers and catering premises. The previous one contained eleven variables (satisfaction with staff; prices; service, selection, quality, atmosphere; accessibility, environment; loyalty; market-based approach; personal relationship; prestige; selection of favourite place; character of regular place; friendly, business relations) the latter contained twelve criteria (type, town, character, category, recommendation, regularity of attendance of catering premise, gender, age, educational level, economic activity, income and residence of customer). This, in itself, would have meant 132 different tables, the number of which had to be reduced to the ones containing relevant information. (We applied the formulas of Pearson, Csuprov and Cramer, details thereof are excluded from this study.)

Based on the cross tables obtained from the questionnaires, we concluded that in the case of restaurants and cafes, the atmosphere of the catering premise, quality, selection of food and beverages are much more important than in other cases. (figure 2.) These are the least important factors in the case of cookshops, which can be explained by the differences of the characteristics of the enterprises.

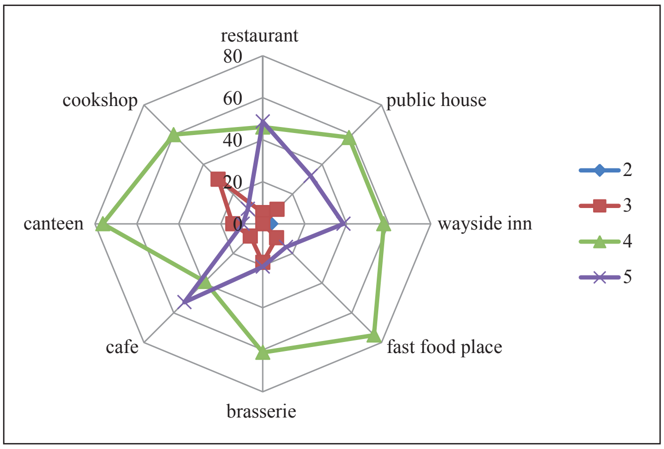


Figure 2. Selection, quality, atmosphere

We can examine in a similar way how important customers regard enterprises being regular places according to their character. It can clearly be determined that it is not relevant in the case of cookshops, fast food premises, but relevant in the case of cafes, restaurants, brasseries, public houses and wayside inns. These are such catering premises that customers attend not for fast, inexpensive eating, but their companies and the places themselves have priority here.

Friendly, business relations (figure 3.) are the most important also in the case of brasseries, restaurants and cafes, while in the case of such places offering specially 'only' hot meals and alcohol-free beverages (cookshops, canteens and fast food restaurants), they are irrelevant.

Catering premises with hot kitchen can be divided into two groups based on their character. The first group contains canteens, cookshops, fast food premises, where the expectations of customers are much more modest. We classified restaurants, brasseries, cafes, wayside inns and restaurants into the second group. Here social relationships, friendly atmosphere, regular place character are much more important, by which, in parallel, quality and atmosphere also become more significant.

We analysed, unlike before, the connection between the way of learning about catering premises and the market-based attitude of customers not by percentage lines, but by the percentages of the cells of cross tables compared to the total population. It is visible that most customers selected their favourite places by using their relationships, although the vicinity of their residences or workplaces can also be regarded significant. Market-based approach is a characteristics of those who select their regular places on the basis of advertisements or good accessibility. They can be much more influenced by competitors than those attached to a given catering premise by their social relationships.

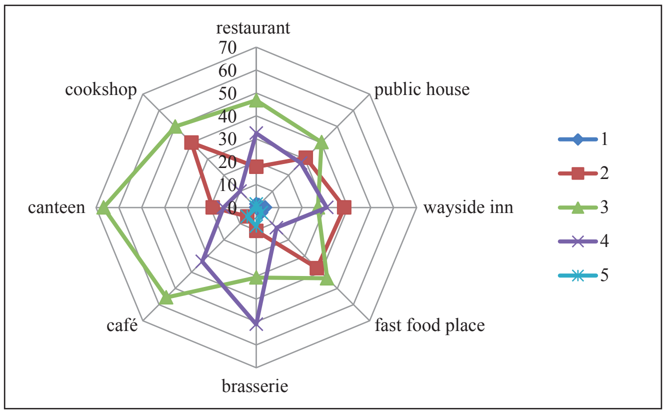


Figure 3. Friendly, business relations

Examining the frequency of the attendance of catering premises, we received the interesting result that those who often attend their favourite catering premises are less satisfied and they are also more critical towards staff. Maintaining relationships with other customers is much more important than satisfaction with staff. Based on the analysis, the same can be said about the examination of the frequency of attendance with relation to service, prices, selection, quality, atmosphere and accessibility. Those who attend regularly are more dissatisfied than those who rarely use the service or only on special occasions. The 'conservatism' of customers, that is, insisting on the usual, can be detected here as well. The feeling of insecurity originating from changing/change is stronger than the role of advantages that can possibly be obtained therefrom.

Regular customers find it important to be welcomed by the staff, owner or manager of the enterprise, to be greeted by their names and to take care of their personal habits.

By regular attendants relationships maintained with other customers, staff or management are more important than their satisfaction with the performance of the restaurant. It can be also determined from our data that this is true only over a certain 'threshold performance level'. By the decreasing regularity of attendance, satisfaction with prices, services and selection becomes more important than personal relationships.

It is also interesting to examine the role of prestige (figure 4.). Whether customers select those catering premises they think reveal the most of them? According to our analysis, this is not equally strong by the examined age groups, it is the most significant in the case of 36-50 year old ones. This is understandable as they already have their established status and lifestyle to which, in a good case, they have created the necessary financial conditions and they would not like to belong to somewhere beyond their power. In case of youngsters under the age of 25, prestige is less important, than it is for older age groups. During the research more times, however, by this question definitely occurred to me that respondents formulated 'shaded' replies trying to achieve an image that seemed ideal to them. In our experience, prestige has a much greater role in catering than it was reflected by our data.

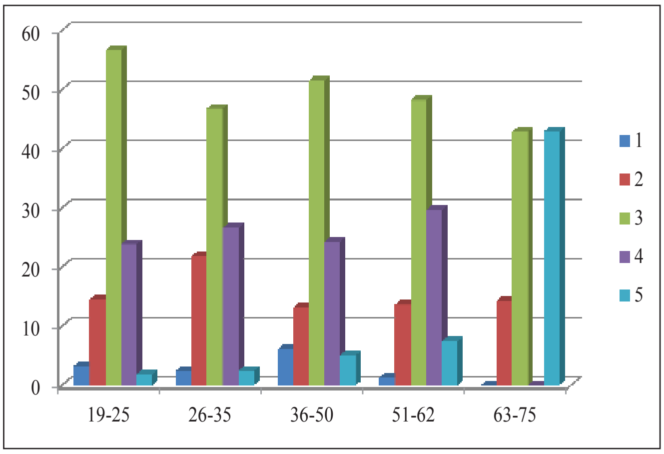


Figure 4. Prestige

Our research showed that in case of wages equivalent to or near minimum wage per person, selection, quality and atmosphere are not significant, however, approaching to higher levels of income, their significance increases. In case of connections between the importance of regular place character and size of income it can be stated that higher earnings attract higher requirement levels.

Conclusions

Based on research results it was proven that such a well planned, central strategy like in the case of tourism cannot be prepared for the whole of catering industry as even enterprises belonging to the same profile with hot kitchen differ from each other significantly. However, guidelines can be sketched, providing support for the establishment of a strategy targeting the increase of consumption and more profitable operation.

The questionnaire-based survey showed that mostly men attend catering units with hot kitchen regularly so the less active gender of women can be aimed at as a new target group. Such tools and methods must be invented, by which they can also be 'attracted' to catering premises with hot kitchen.

Regular attendants of catering units mostly come from the economically active population, but the partly dependent and partly earner students of higher education also possess a significant volume, thus, we must know and suit their requirements better.

Our assumption that customers of fast food restaurants, canteens have lower expectations from selection, personal relations, quality of services than customers of restaurants and cafés was proven. By the latter ones, human relationships are the most important factor when selecting 'favourite place'. It is understandable that more impersonal advertisements hardly contribute to the increase of the turnover of catering enterprises. It is proven that more efficient word of mouth propaganda can be achieved by consequent, high level work, which significantly influences the selection of enterprises.

Regular customers can be characterized by rather emotional than market-based insistence. Favourite units are mostly preferred because of their atmosphere, relationships with acquaintances, friends than because of measurable things, for example: selection or prices. Such customers loyal to the enterprise more often attend those, where they also have emotional attachment.

The examination of the frequency of attendance led to an interesting result as well. It was revealed that more frequent attendance results in more critical contemplation. Based on the replies it can be determined that those who attend a given catering enterprise more regularly are more dissatisfied with the staff than those attending it less frequently. Personal contacts, relationship between customers and caterers have significant importance. Customers require care, thus establishing emotional, personal attachment is necessary.

The existing, loyal clientele of a catering premise has significant role in joining potential customers. In our next research we would like to prove how determining is the ratio of regular customers as well as the presence of such persons having central and linking role in the life of catering enterprises.

References

Barnes J. (2003): Establishing meaningful customer relationships: why some companies and brands mean more to their customers, Managing Service Quality, Vol. 13, p 178-186.

Deming W. E. (1986): Out of the Crisis, Cambridge, MA: Massachusetts Institute of Technology Center for Advanced Engineering Study (In: Oliver, 1999)

Hetesi E. & Rekettye G. (2005): Longitudinal measuring of the dimensions of loyalty in the range of Hungarian energy consumers based on factor analysis. Vezetéstudomány, 2005/III. p 48-57.

Kotler P. (1998): Marketing management, Műszaki Könyvkiadó, Budapest p 875.

O'Neill J. W & Mattila A. S. (2004): Connection between brand building strategy and customer satisfaction as well as revenue from rooms, Journal of Hospitality & Tourism Research 2004/2. –

Oliver, R. L. (1999): Whence Consumer Loyalty?, Journal of Marketing Vol 63 p 33-44.

Reicheld, F. F. et al. (2003): Loyalty: A Prescription for Cutting Costs, Marketing Management, 2003. Vol. 12

Reicheld, F. F. (1996): Learning from Customer Defections, Harvard Business Review, 96, Vol. 74.

Reicheld F. F. (2000): The Loyalty Effect – The Relationship between Loyalty and Profit, Europian Business Journal, 2000/III. p 134-139.

Rudolfné Katona M., Karakasné Morvay K. & Magyar M. (2008): Measuring the quality of service and customer satisfaction, AGORA, BGF KVIK, Budapest, p 38-46.

Veres Zoltán (1998): Service marketing, Műszaki Könyvkiadó, Budapest

Zeithaml-Parasuraman-Berry (1990): Delivering Quality Service; Balancing Customer Perceptions and Expectations, Free Press, p 99.

INNOVATION IN HEALTH TOURISM – CREATION OF SPAHEALTHY APPLICATION

Erika Könyves

University of Debrecen, Faculty of Economics and Business

Abstract: This primary research examines the introduction of an innovative health promotion service into the market. Given the assumption that healthcare costs should be part of one's budget, the survey reveals two trends: 1. Health concerns are more observed by consumers having higher social statuses, this means that they are ready to pay money for health preservative services; 2. Health turns into a precious value when we are running short of it. This assumption is well asserted by the finding of the survey that it is those suffering from chronic diseases that would be ready to pay the highest of all sums to buy the service.

Keywords: health tourism, innovation, spa, spahealty concept

Introduction

An ever growing number of people in the postmodern societies are becoming conscious of their health – in both physical and mental terms. The protection and "maintenance" of one's health status is, therefore, a necessity; for the reason that it is associated with value, health is considered to be a basic need of men living in a consumer society. When their health is lost, modern people can easily be turned into the economic also-rans of the consumer society. It is health that can equip them with the potentials of a consumer, and it is health that can determine the position they will take in the hierarchy of that society [1].

Several representative national surveys are dealing with the health and the health consciousness of the Hungarian population (TNS Hungary, Béres Egészség Hungarikum Index, 2007; a joint survey by Millward Brown Healthcare and the division of the TGI in 2010, GfK LHS HealthCare).

Although the survey prepared by the Millward Brown Healthcare – TGI could identify a low level of health consciousness among the Hungarian population as it currently stands, yet, there is a solid number of groups of people seen that can potentially become health conscious consumers once they are provided with proper information on that [2].

"Outcome Measurements" is a trend toward accountability. There will be efforts to define and track outcomes to prove that a selected program actually works. Measurements are necessary to determine the benefits of health and fitness programs in disease management and to document success in changing negative lifestyle habits. The proliferation of technology will aid in data collection to support these efforts. This trend did not appear in the top 20 for the past couple of years. Accountability to owners and operators of health and fitness facilities will provide important metrics to determine if new programs are cost-effective and if old programs are actually working [3].

Pulse measurement has an important role in recreational sports and fitness, as it may help the guests in evaluating the efficiency of the training and the physical performance.

Checking the pulse rate (the resting pulse) helps to determine the physical fitness level, as well [4].

Health promotion and recreation have gained a higher prestige among people in recent years; this is shown by the growing popularity of spas, health, and medical and wellness services. A growing interest can be seen in the high standard and convenience services of the health promotion programs, e.g. in wellness services.

Together with the widening of the range of the guest-focused wellness services of the hotels and spas, the demand for services backed by smart watches is also expected to grow rapidly in the prospective years.

Incorporating a health information system, the SpaHealthy is designed to meet exactly this very market challenge by targeting the health conscious consumers of health preservation services offered by aqua parks, thermal spas, and wellness centers.

SpaHealthy is a smart application that can be downloaded on Android smart phones, and linked with a pulse-rate-check smart watch for easy use (www.spahealthy.eu).

SpaHealthy is designed to:

- Test the physical fitness of the user;
- Develop personalized spa service packages;
- Select and schedule tailored wellness programs;
- Indicate the treatment time passed;
- Check the pulse rate, and
- Check the physical condition of the user;
- Warn user to lower loading, or to break.

Methodology

A large sample (1006 samples) of representative gender and age data of adult population was processed with the omnibus CAWI (Computer Assisted Web Interview) research method. The questionnaires were made available for the interviewees on a professional health website having 2.5 million visitors on a monthly average.

In the sample, individuals having secondary school and university degrees are over-represented. The sample is not representative in terms of settlement type: cities with county rights are over-represented, while small size settlements are somewhat under-represented.

The respondents of the questionnaires were requested to comment on the SpaHealthy concept development. They could choose from among four response options: (1) It is a very good and useful idea. (2) I consider it a good idea rather than a bad one. (3) I consider it useless rather than useful. (4) I consider it absolutely useless.

Results

Evaluation of the SpaHealty concept by the respondents

The SpaHealthy service received a positive overall response from the respondents. 85% of the respondents considered it a useful, or a good idea (Figure 1.). 52% thought it was a definitely good/useful idea; 36% thought it was a useful idea rather than a useless one, while one out of ten respondents considered it useless rather than useful. Only a small portion (3%) of the respondents assumed it was absolutely useless.

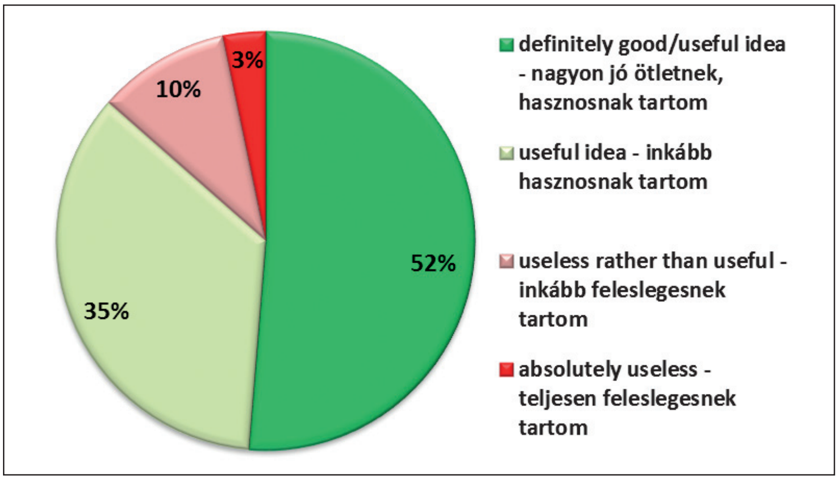


Figure 1. Evaluation of the SpaHealty concept by the respondents

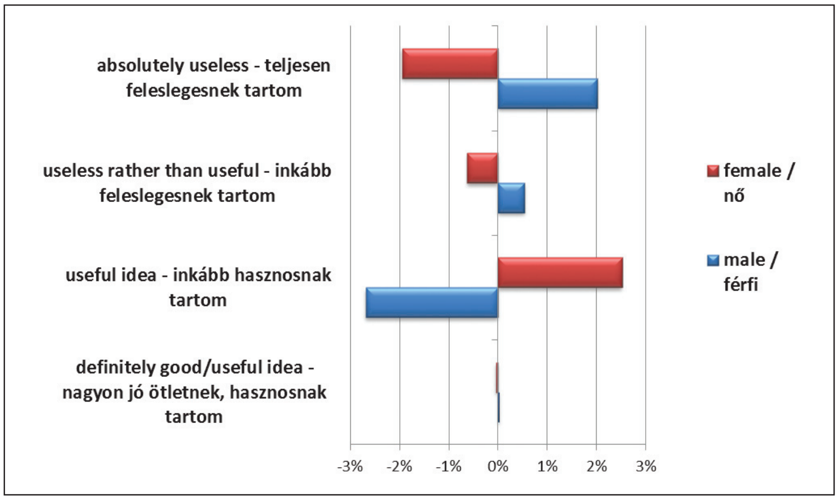


Figure 2. Deviations from the total sample population average in relation to gender (Evaluation of the SpaHealty concept)

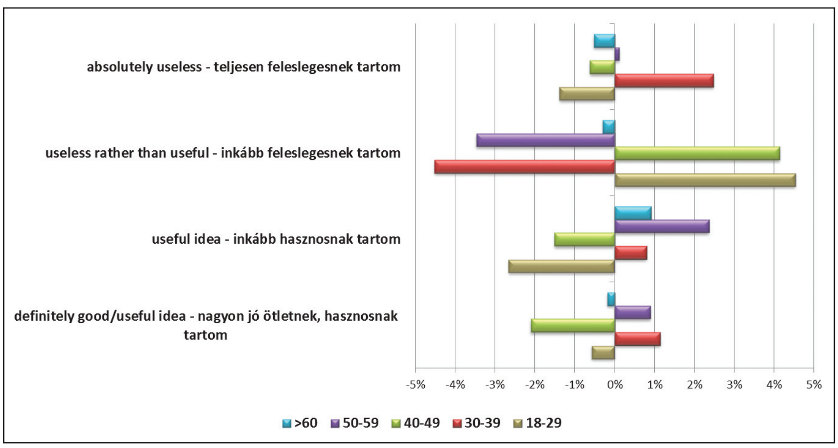


Figure 3. Deviations from the total sample population average in relation to age (Evaluation of the SpaHealty concept)

Evaluation of the SpaHealty concept in terms of demographic characteristics

The Figures demonstrate the deviations from the total sample population averages in percentages.

Figure 2 shows the survey results in relation to gender distribution: the %values of the deviation show a nearly uniform distribution rate of genders in nearly each of the responses. Women tend to judge the concept a useful one, while men mostly think that the SpaHealthy concept is useless.

As a second step, the responses were evaluated in relation to age. For this see Figure 3.

The distribution of the age groups was nearly equal among the sample population giving a positive response to the SpaHealthy concept, except for the non-significant deviation of the 40-49 age group from the average. More significant deviations were observed among those who considered the concept to be useless. Among the respondents of considering the concept useless rather than useful, the younger generation, and age group 40-49 were found to be dominant. Similarly, the respondents assessing that the concept was absolutely useless were over-represented by age group 30-39.

Figure 4 shows the deviations in relation to education. Due to their very low representation rate in the sample, respondents with a low level of education are not shown in the figure. It can be seen, however, that the group of respondents with different level vocational type training do not have a homogenous attitude.

Attitude to the SpaHealthy concept in relation to income is demonstrated by Figure 5. Respondents having higher than average, and significantly lower than average incomes were found to consider the concept mostly useful.

Figure 6 demonstrates the evaluation of the SpaHealthy concept in relation to residence. Respondents residing in the capital and in cities with county rights consider the concept useless rather than useful, whereas those coming from smaller settlements assess it useful rather than useless.

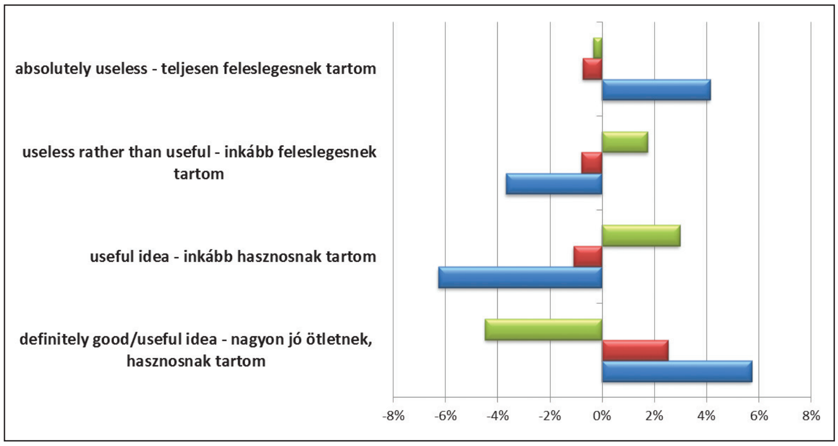


Figure 4. Deviations from the total sample population average in relation to education (Evaluation of the SpaHealty concept)

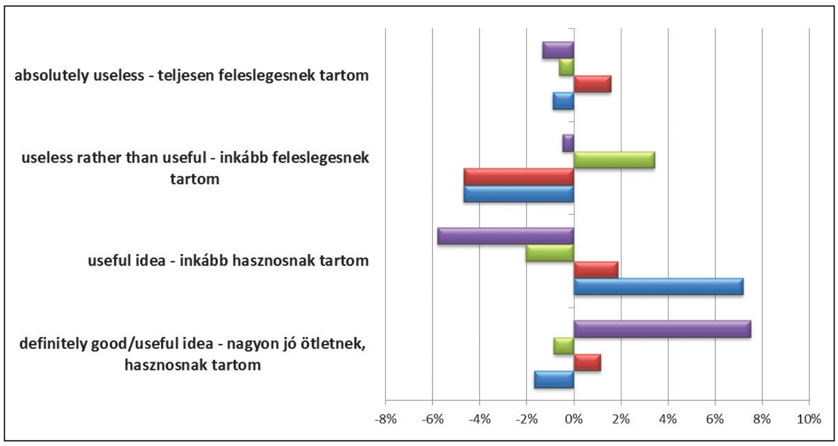


Figure 5. Deviations from the total sample population average in relation to income (Evaluation of the SpaHealty concept)

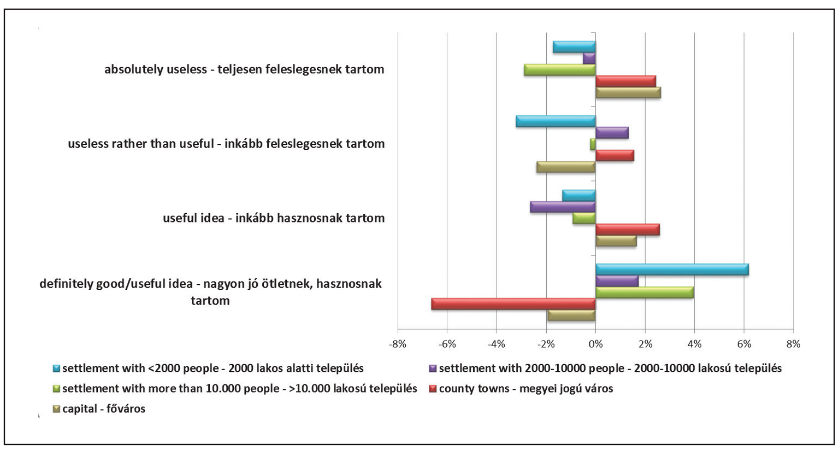


Figure 6. Deviations from the total sample population average in relation to residence (Evaluation of the SpaHealty concept)

Evaluation of the SpaHealty concept in terms of health status characteristics

We were curious to know what price the respondents would be ready to pay for the services. Hardly more than one third of the respondents would not buy a service like that at all, while the rest of the respondents would be ready to pay sums between the end values of 500-50.00 HUF, which gives an average sum of 3.719 HUF.

In reference to gender, women would be ready to pay 3.620 HUF, and men 3.835 HUF on the average to buy the service.

When age groups are assessed, the picture is heterogeneous: it is the age group of 40-49 that would be ready to pay the highest sums per hour, in contrast to age group 30-39 who would be paying the less.

The survey reveals a linear correlation between education and the hypothetical price payable for the service, i.e. the higher the level of education, the higher is the price named. Respondents having university degrees specified 4.200 HUF, while those having not more than eight years of general education would be ready to pay hardly more than 1.300 HUF to buy the SpaHealthy service.

A similar correlation was found between the respondents' income and the hypothetical payable price of the service: the higher the income, the higher is the price specified. Respondents having incomes above the average would be ready to pay more than 5.500 HUF to buy the service, while those having incomes significantly below the average would be ready to pay about half of this sum only.

As for residence, no such clear-cut differences and trends could be identified as were found with education and income. It is obvious, though, that the residents of larger settlements would be ready to pay somewhat higher sums than those coming from smaller locations.

In relation to health status, the average sums specified by the respondents make up a heterogeneous overall picture: it is respondents suffering from chronic diseases who would be ready to pay the highest sums for the service.

References

[1] **Pikó B. (2003):** Kultúra, társadalom és lélektan. Akadémiai Kiadó, Bp. http://www.korunk.org/letoltlapok/Z_XKorunk2011aprilis.pdf. Letöltés dátuma: 2013.08.10.

[2] http://www.medicalonline.hu, 2010. Letöltés dátuma: 2013.08.10.

[3] **Thompson, Walter R (2013):** Worldwide Survey of Fitness Trends for 2013 In:

http://www.google.hu/url?sa=t&rct=j&q=&esrc=s&source=web&cd=3&ved=0CDQQFjAC&url=http%3A%2F%2Fwww.researchgate.net%2Fprofile%2FWalter_Thompson2%2Fpublication%2F270159336_WORLDWIDE_SURVEY_OF_FITNESS_TRENDS_FOR_2013%2Flinks%2F54aa88fb0cf2bce6aa1d40e2.pdf&ei=l9gLVc_7J8rbU5n1gqgE&usg=AFQjCNFokf5k5Qpdx7q_nsZwBx0npe4cMw&bvm=bv.88528373,d.d24 Letöltés dátuma: 2015.04.10.

[4] **Müller Anetta & Rácz Ildikó (2011):** Aerobic és Fitness irányzatok.Budapest, Pécs Dialóg Campus Kiadó. 277.p.

http://tamop412a.ttk.pte.hu/TSI/Muller%20Anetta-Racz%20Ildiko%20-%20Aerobic%20es%20fitnesz%20iranyzatok/aerobik.html Letöltés dátuma: 2015.04.10.

THE ROLE OF SMALL-SCALE SPORTS EVENTS IN DEVELOPING SUSTAINABLE SPORT TOURISM – A CASE STUDY OF FENCING

Katalin Vargáné Csobán & György Serra

University of Debrecen, Faculty of Economics and Business

Abstract: Promoting sports and sport tourism is considered as a strategic development objective at the local, regional and national levels in Hungary. However, sport tourism is present in many different forms, depending on the type of sport activity, the related sport events and its participants, therefore it is challenging to decide on the type of sports and sports events that should be supported to ensure long-term social and economic benefits for a local community.
The scale of sports events ranges from the small, local competitions to the international mega sports events. Although the economic benefits of mega sports events are generally appreciated, there has been growing critique about their negative social and environmental impacts. Small-scale sports events also have important potential for tourism, and they may have more advantages for the local community than the mega events by providing additional incomes, using the already existing infrastructure, raising local pride and community spirit. Sport tourism related to small-scale events is generally considered to be a more sustainable form of tourism.
The purpose of this paper is to examine the tourism development potential of small-scale sports events, particularly focusing on fencing competitions. It highlights the demand side of the sport tourism market, investigating the behavioral profile of the participants of an international fencing tournament. A questionnaire survey was conducted at the Budapest WestEnd Women's Epee Grand Prix 2014. The data revealed that participants of the sporting event spend only a short period of time at the destination, and shopping and eating out are the most preferred free time activities. The paper identifies and discusses issues regarding the role of sports organizations and tourism agencies in cities hosting such events to increase the tourism potential of small-scale sports events in the future.

Keywords: sustainable tourism, small-scale sport event, active sport tourist

Introduction

The impacts of large scale events are widely discussed in the tourism literature. (*Hinch* and *Higham* 2011). These mega or hallmark events include major festivals, cultural and international, national and regional sporting events. International sport competitions boast with increasing attendance, thus their role in creating economic advantages as well as conveying a favourable image of the hosting destination is greatly acknowledged. (*Hall* 1996) While mega-events may take place once in a life-time in a country, there are several small-scale sport events of all sport types that are held regularly and even become a more influential part of a community's life.

Fencing has a high profile in Hungary due to its centuries-old traditions, the outstanding olympic results of the sport and their media coverage. Besides catering for the professional sportmen, fencing clubs attract recreational athletes of all ages and abilities in the country. Competitions of various size and status are regularly held not only in the capital but also in the smaller towns of the country all around the year. In spite of its popularity and deep roots in Hungarian culture there has not been any research conducted on the potentials of fencing in sport tourism development in the country. Understanding the factors that influence active sports events tourists has not been widely observed in the sport tourism literature either (*Kaplanidou* and *Gibson* 2010).

The current study draws upon the works that aim at examining the characteristics of small-scale sport events and their participants (*Gibson* et al. 2012, *Kaplanidou* and *Gibson* 2010) but it places more emphasis on the demand side of a specialized market: the active sport tourists of a women's fencing tournament. In terms of sustainable sport tourism development it is essential to be aware of the needs of the key stakeholders of tourism: businesses, host communities, government and tourists. Long-term strategic planning necessitates research on stakeholders' behaviour, which includes the investigation of the tourist profile of visitors of small-scale sport events. Exploring the demand of this niche market is, that is active and passive sport tourists of small-scale events is the first step in understanding the variables that affect the long-term sustainability of sport tourism.

Literature review

Sustainable tourism development has become a prevalent topic in tourism research literature since the introduction of the term”sustainable development” by the Brundtland Commission in 1987. (WCED 1987). The concept of sustainable tourism has been approached from various angles, resulting in a proliferation of - sometimes contradictory - definitions. The definition given by World Tourism Organization, according to which sustainable tourism is "tourism that takes full account of its current and future economic, social and environmental impacts, addressing the needs of visitors, the industry, the environment and host communities" (UNWTO 2004) serves as a starting point in the quest for sustainability. It highlights the importance of the three dimensions of sustainability, which entails the continuous strive for the balance of the economic, social and environmental interests in tourism development. This approach has become widely known and accepted as the triple bottom line (*Smith* 2009). Additional dimensions including moral, legal, technical and political ones were suggested by several authors (*Pawlowski* 2008).

As the needs and interests of the stakeholders are clearly emphasized in the definition, it is worth noting that sustainable tourism development is the responsibility of all the stakeholders, namely tourists, host communities, businesses and governments alike (UNEP WTO 2005). On the one hand, the informed participation of all the stakeholders in decision-making is of vital importance, while it is the role of political leadership to ensure participation and consensus-building. Achieving sustainability of the sector also requires long-term, strategic planning based on the assessment of the resources of a destination. Finally, continuous monitoring of the impacts and introducing the necessary corrective measures are important steps in the practical implementation of the concept (UNWTO 2005).

After the term ’sustainable tourism’ had become widely known, there was a common misinterpretation of the concept, which resulted in the fact that certain natured-based tourism types, especially ecotourism were falsely identified as primary forms of sustainable tourism. However, it has been recognized that certain ecotourism products, often taking place in sensitive natural environments may be even more harmful than mass tourism in an urbanized environment. It must be emphasized that the principles of sustainable development are applicable to all types of tourism in all destinations, including the niche types of tourism (UNWTO 2004).

Consequently, the requirements of sustainability are to be considered when developing sport tourism in a destination. Tourism and sports are closely linked, as it is manifested by the growing number of travellers who aim at participating actively or passively in recreational or competitive sport activities. Sport may be either the primary or secondary motivation for travel or it may serve as an additional holiday activity contributing to the travel experience. Sport tourists, whose primary travel activity is participating in competitive or recreational sport can be differentiated from tourism sports, which implies that sport is a secondary or incidental travel activity *(Gammon* and *Robinson* 2003). Several definitions of sport tourism emphasize that athletes as *active* and spectators as *passive* sport tourists constitute the demand side of the sport tourism market (*Hinch* and *Higham* 2011).

Gibson et al. (2012) suggest that in the current academic literature the emphasis is on the needs of host communities and the environment rather than the needs of tourism demand when investigating the possibilities for sustainable tourism development. Dovetailing with many other authors’ arguments she believes that tourist satisfaction and tourism demand should be the core components of any sustainable tourism development plan, since tourism development is based on recurring visitation of the tourists (*Cater* 1993; *Liu* 2003).

Sport tourism can be defined as „sport-based travel away from the home environment for a limited time where sport is characterized by unique rule sets, competition related to physical prowess and play” *(Hinch* and *Higham* 2001). It takes many different forms. Gibson (2005) differentitates among active, event and nostalgia sport tourism, which may serve as the starting point for a sport tourism market analysis. Active sport tourism refers to participatory sports-related travel, which includes events (e.g. the Olympic Games or recurring small-scale events such as local fencing tournaments as the present case study) and non-event sport tourism (e.g. golf, skiing) (*Kaplanidou* 2010). Nostalgia sport tourism is a dynamically growing sector, which „includes tourist visitation to sport museums, halls of fame, themed bars and restaurants, heritage events and sports reunions (*Hinch* and *Higham* 2011).

As the present study investigates the role of small-scale events in sustainable tourism, it is important to highlight some characteristics of event sport tourism. The scale of sport events ranges from mega-events attracting millions of visitors to small-scale local events, where athletes may outnumber the spectators. Mega sports events clearly have several advantages from tourism’s perspective, as they create a positive image and identity of a place and they divert visitors’ attention to the hosting destination, thus contributing to destination marketing. Mega sport events may create interests in other tourist attractions of a destination that are not related to the sport. The most frequently cited benefits of hosting large-scale international sport events are the positive economic impacts (*Hall* 1996).

However, sporting events may have certain negative impacts as well, which seem to increase with the scale of the event. Mega sports events usually require the development of new infrastructure, whose maintenance may become a burden on the local community some time after the event (*Hiller* 2006). Mega events also generate a considerably higher influx of people, which may cause overcrowding, infrastructure congestion, environmental degradation and disturbance to the host population (*Chernushenko* 1996).

As opposed to advocating large-scale regional, national or international events, Gibson et. al (2012) highlight that organizing small-scale sports events ”which are consistent with the host community’s infrastructure and human and cultural capital may be a viable form of sustainable tourism development”. This resonates with previous work (*Higham* 1999) arguing that small-scale event sport tourism may be more suitable from the perspective of sustainable development, as they may cause less serious negative impacts, although the economic benefits are usually smaller, too. Small-scale events are generally contribute to the reduction of tourism seasonality, use the existing infrastructure, require less public funding and generate a smaller, but more reliable income from tourism (*Higham* 1999).

The size of the event and the way in which a sport event is hosted has implications for the sustainability of the event, and that of the sport tourism destination. As a result, it is of vital importance that event managers make informed decisions, which entails that they need to understand the various niche market segments to meet their sport and travel preferences as well as planners need to estimate visitors' behaviour patterns. It is necessary to examine the behaviour profiles of competitors and spectators of small-scale events in order to estimate event impacts, and consequently the sustainability of a sport tourism destination.

Materials and methods

In order to better understand the visitor profile of a small-scale sport event, participants from a recurring fencing tournament were selected. The Budapest WestEnd Women's Epee Grand Prix 2014 is held annually in Budapest, organized by the Hungarian Fencing Federation. The duration of the competition is 2 days, and it is usually held in February, which is a low season for tourism. The event targets women fencers of any age, but on average the age of the participants ranges from 18 to 30. Although it is an international competition with fencers coming from 34 countries – even from China and the USA – it can be considered as a small-scale event, as the number of athletes was 149, escorted by some of coaches, as well as friends and relatives. The number of spectators was approximately 150 on the two days.

The event population was surveyed onsite during the event by using questionnaires. Trained interviewers assisted in completing the questionnaires on both days. The questionnaire included 19 closed and open questions, asking for information on the participants' activities and tourism related behaviour, including their expenditure. Out of the 149 participants and their accompanying coaches and friends or relatives, 108 completed the questionnaires, representing 22 nations. The data were analyzed using descriptive statistics as it is usual in tourism literature regarding sports events (*Veltri* et al. 2009; *Gibson* et al. 2012).

Results and discussion

Sample description

The present study focuses on the active and passive event sport tourists who participated in a small-scale event. 71% of the respondents were athletes, while 29% were coaches. The vast majority of the respondents were female (74%) and 26% were male. As it was a women's tournament the active sport tourists were female, while the male participants were passive event sport tourists (coaches, team leaders, friends and relatives). They represented all age groups, 34% aged between 21 and 25 years, 22% above 40 and 19% aged between 26 and 30 years. Only 9% were under 20 years of age, while 16% of the respondents were in their 30s: equally distributed between 31–35, and 36–40 years of age. Most of the athletes were in their twenties, while the passive sport tourist were usually above 40. In accordance with this characteristic, most athletes have pursued this sport for 5–15 years, while 22% started fencing more than 15 years ago. In terms of education, an outstanding 82% of the respondents held a degree from higher education, which reflects the social status of fencers in general. As far as the nationality of the sport tourists is concerned, while the participants represented 34 countries, the respondents were from 22 countries, only 13% coming from the distance of less than 500 km from Budapest, i.e. the neighbouring countries of Hungary. Figure 1 illustrates the nationality of the respondents in the sample (Figure 1).

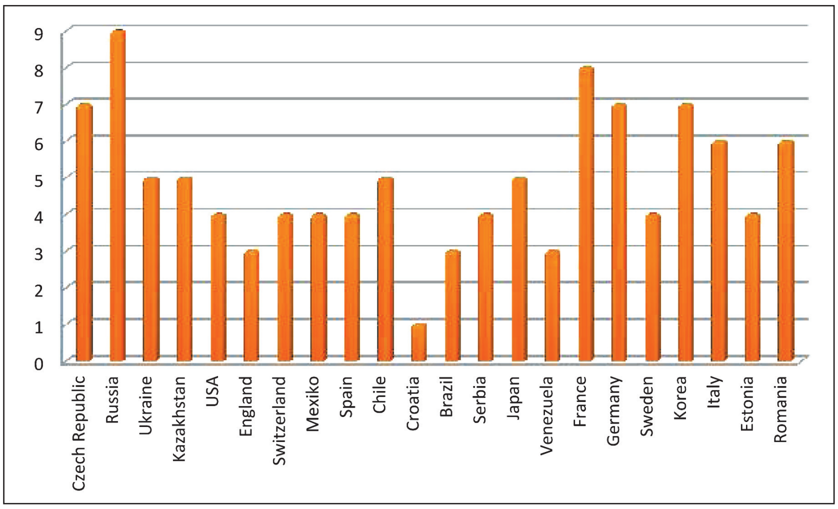


Figure 1. The distribution of respondents' nationality
Source: Serra, 2014

Tourist behaviour of sport tourists

Length of stay

The Westend Budapest Grand Prix lasts for 2 days; on the first day all athletes compete, while on the second day only those, who qualified for the finals. If a respondent spends only two days in Budapest, it entails that their only motive for travel was participation in the competition. As Figure 2 clearly demonstrates, one quarter of the participants reported staying for more than 3 days, which implies that they may have devoted some time for other tourist activities. However, most respondents arrived solely for the purpose of participating in the sport event, as they stay only for 2 or 3 days. (Figure 2) This finding is consistent with the tourism literature, which highlights that active sport tourists, who take part in a competition rarely devote time for visiting the tourism attractions of the destination.

The fact that the majority of the respondents stayed only for the short period of the competition can be explained by two additional factors, as well. On the on hand, their expenses were mostly covered by their national fencing associations (58%), which strive to reduce the travel costs by limiting the number of days spent at the venue of the sport event. On the other hand, 44% of the respondents had visited Budapest more than twice and 33% visited at least once before this year's event, so the vast majority (77%) were returning guests, who may have already seen some tourism attractions during their previous visits.

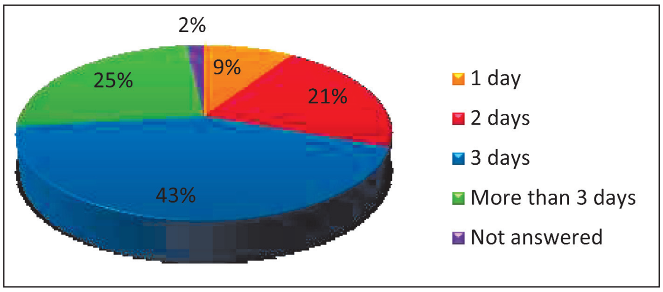


Figure 2. Number of days spent at the Westend Grand Prix World Cup
Source: Serra, 2014

Accommodation

When asked about sport tourists' preferences on gathering information on accommodation and booking, it was found that the participants of a fencing tournament usually prefer choosing from the accommodation officially recommended by the organizers of event, as shuttle buses operate from these hotels to the event venue. In the present survey 28% of the respondents selected from the hotels offered on the invitation for competition, while 30% made the choice based on their previous experiences, which includes former stays at hotels recommended by the organizers. A further 28% searched the internet for finding accommodation, and 5% took advantage of their friends' advice. The remaining 9% of the respondents reported that accommodation was arranged by someone else or used other sources for getting information on hotels.

As far as the accommodation preferences of the participants are concerned, the overwhelming number of respondents reported that they stayed at 3 and 4 star hotels (33% and 39%, respectively), while others stayed at 2 star hotels or private apartments (Figure 3).

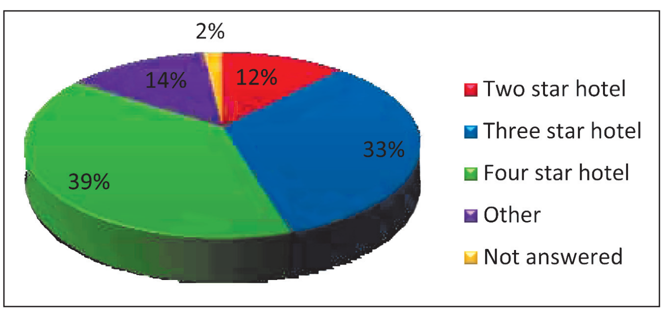


Figure 3. Accommodation choices of respondents
Source: Serra, 2014

Tourism activities of sports tourists

The economic impacts of sport tourism greatly depends on the services (hotels, restaurants, organized sightseeings, etc.) that the active or passive sport tourists utilize, therefore participants of the tournament were asked about their activities during the time of their visit besides doing or watching sports.

The top activity cited by the respondents was eating out: 83% of the respondents reported having a meal in a local restaurant. As the results on Figure 4 indicate, most participants ate locally, either by eating out in a restaurant or ordering meals, at least a pizza (Figure 4). For professional athletes the quality and quantity of eating during the competition is of vital importance. Therefore they usually prefer the restaurants recommended officially by the organizers, however after the competition they may explore local restaurants and sample local specialities.

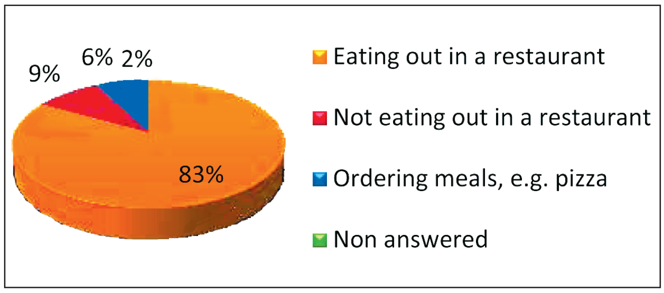


Figure 4. The respondents' eating preferences
Source: Serra, 2014

In terms of sports tourists' involvement in other activities apart from taking part in the competition, it was found that the majority of the respondents (63%) did not visit any other tourism attractions or places of interests at the destination. Out of the 37% who indicated that they visited some attractions, a short sightseeing walk to the city centre of Budapest and to the shopping street „Váczi utca" was mentioned. These findings are in accordance with the results of previous surveys that indicate that eating out and shopping are the most frequently cited activities of event sport tourists (*Daniels* and *Norman* 2003; *Gibson* et al. 2012). In addition, as Figure 2 demonstrates, participants of the sporting event spend only a short period of time at the destination, which is normally strictly scheduled for the competing athletes. It is often the coaches, friends and relatives who may have time for tourism activities. It must also be noted that the events organizers rarely offer complex tourism packages for the event participants, which include specific services, such as massage or other health tourism services.

It has been suggested that organizing compatible activities with the event and structuring the competitions in a way that allows time for activities besides sport could effectively increase the length of stay and tourists' spending (*Gibson* et al. 2012).

Expenditure

The participants of the Westend Grand Prix were asked to estimate the amount they spent at accommodation, meals and tourism-related services excluding the costs of transport, furthermore they were asked who covers their costs of travel. In the case of professional competitive sports, the national sport federations fully or partially contribute to the participation costs of the athletes.

As Figure 5 shows most participants (79%) spent less than 500 euros in the course of the event, while 21% reported spending more than 500 euros. (Figure 5) In terms of direct economic impact of the event these amounts of money do not appear to be substantial, but this result is modified by the fact that 58% of the respondents reported that their federations bore their costs, 14% declared that their participation in the event were funded by sponsoring, and in 4% of the cases the fencing club of the athlete provided the amount necessary for the competition. In contrast, only 24% reported covering the costs of travel from their own budget.

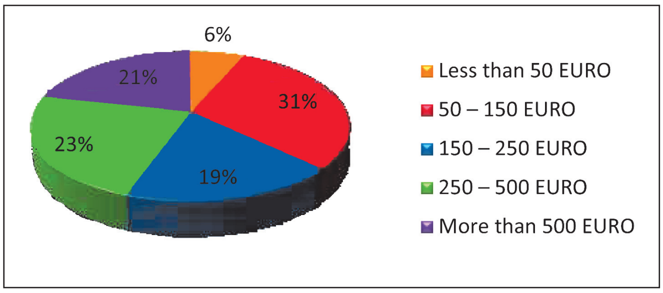


Figure 5. Tourists' spending in the course of the event
Source: Serra, 2014

In terms of economic impacts of a small-scale event, it is obvious that the economic activities are limited, when compared to a large-scale event. However, small-scale sports events taking place in smaller or medium-sized communities may have proportionally more positive impacts than in larger cities (*Gibson* et al. 2012). During the planning phase of a sport event initiatives should be considered to increase the overall direct spending impact associated with the event. It must also be noted that youth sports events and tournaments targetting females are reported to entail a greater number of passive sports tourists (the athletes are escorted by more friends and relatives) and higher spending in the course of the event (*Gibson* et al. 2012).

Several authors emphasize the importance of friends and relatives as a key market for event sport tourism (*Hinch* and *Higham* 2004; *Weed* and *Bull* 2004; *Gibson* 2012). The VFR market apperars to have special characteristic features in terms of behaviour and consumption patterns. It has been suggested that their length of stay is generally longer and their spending is generally higher, which may be explained by the fact that they are emotionally related to the competing athletes. (*Scott* and *Turco* 2007) Preuss et at. also suggested that the consumption patterns of sports event visitors depend on their economic and psychological investment in the event, their interest in the particular sport, as well as the distance travelled to the event. (*Preuss* 2007) Kaplanidou and Gibson's study clearly highlights that attitudes toward event participation influence tourist behaviour directly. (*Kaplanidou* and *Gibson* 2010)

Conclusions

This study examined the tourist profile of an international fencing tournament, the Westend Budapest Grand Prix 2014. As sustainable tourism development requires strategic planning and informed decision making, it is necessary to understand the demand side of the sport tourism market, the behaviour of active and passive sports tourists. Being aware of the behavioural profile of competitors and spectators, event and destination managers may estimate the economic, social and environmental impacts of a sports event, and plan accordingly.

Although the participants came from 34 countries the tournament can be regarded as a small-scale event, since the overall number of active sports tourists was 149, accompanied by a limited number of coaches, team-leaders and friends or relatives. Research concerning small-scale sporting events is rapidly growing, demonstrating the significance of these types of events in sports tourism.

Tournaments in fencing, even at the international level are usually small-scale events attracting more competitors than visitors, receiving little media attention and attracting less sponsorship than mega events. However, there is a tourism potential in these events which communities should realize in Hungary. Fencing tournaments are recurring events, which means that they are regularly held even during the low seasons. There is already existing infrastructure for fencers throughout the country, which needs continuous improvement but it requires less public funding than organizing large-scale sport events without the necessary infrastructure. Although the economic benefits are of a smaller scale, but the reliable flow of visitors may generate a substantial revenue for the local communities. Compiling a portfolio of small-scale sport events has been suggested by international tourism literature (*Gibson* et al. 2012). This may be a viable form of sustainable sport tourism development in the case of fencing, as well.

Fencing tournaments primarily attract active sport tourists, whose main motive is to compete. It is generally difficult to entice active sport tourists to take part in other activities besides sport, however efforts should be made to do so, as there are international "good practices" in this field. (*Gibson* et al. 2012) Hungary's health tourism products provide a solid basis for developing combined products of health and sport tourism. The results of the present survey show that fencers are highly educated, they prefer high quality accommodation and conscious of their food choices when travelling to participate in a competition. These characteristics should be taken into account when offering tourism packages for them. Sports commissions, event managers and travel agencies involved in serving the sport tourists should cooperate to maximize the positive economic and social impacts of small-scale events.

The present study constitutes a starting point in exploring the role of small-scale events in sustainable sport tourism development. Future research should focus on measuring the impacts of the various types of sport events, which may have implications for academics and practitioners alike.

References

Cater, E. (1993): Ecotourism in the third world: Problems for sustainable tourism development. Tourism Management;14 (2): 85-90.

Chernushenko, D. (1996): Sports tourism goes sustainable: The Lillehammer experience. Vision in Leisure and Business; 15: 65-73.

Daniels, M. & Norman, W. (2003): Estimating the economic impacts of seven regular sport tourism events. Journal of Sport Tourism; 8: 214-222.

Gammon, S. & Robinson, T. (2003): Sport and tourism: A conceptual framework. Journal of Sport & Tourism; 8: 21-26.

Gibson H.J., Kaplanidou K. & Kang, S.J. (2012): Small-scale event sport tourism: A case study in sustainable tourism. Sport Management Review; 15: 160-170.

Gibson, H.J. (2005): Towards an understanding of why sport tourists do what they do. In H.J. Gibson (ed.) Sport Tourism: Theory and Concepts London: Routledge. (pp. 66-85)

Hall, C.M. (1996): Hallmark Events and Urban Reimaging Strategies. Coercion, Community and the Sydney 2000 Olympics. Prectising Responsible Tourism. In Harrison, L. C. & Husbands, W. (Eds.), International Case Studies in Tourism, Planning, Policy, and Development New York: Wiley (pp. 336-379).

Higham, J. (1999): Commentary – Sport as an avenue of tourism development: An analysis of the positive and negative impacts of sport tourism. Current Issues in Tourism; 2 (1): 82-90.

Hiller, H. (2006): Post-event outcomes and the post-modern turn: The Olympics and urban transformation. European Sport Management Quarterly; 6: 317-332.

Hinch, T. & Higham J. (2011): Sport Tourism Development 2nd edition Aspects of Tourism Bristol: Channel View Publications.

Hinch, T.D. & Higham, J.E.S. (2001): Sport tourism: A framework for research. The International Journal of Tourism Research; 3 (1): 45-58.

Kaplanidou K. & Gibson, H. J. (2010): Predicting Behavioral Intentions of Active Event Sport Tourists: The Case of a Small-scale Recurring Sports Events. Journal of Sport and Tourism;15 (2): 163-179.

Liu, Z. (2003): Sustainable tourism development: A critique. Journal of Sustainable Tourism; 11: 459-475.

Pawlowski, A. (2008): How many dimensions does sustainable development have? Sustainable Development; 16: 81-90.

Preuss, H., Seguin, B & O'Reilly, N. (2007): Profiling Major Sport Event Visitors: The 2002 Commonwealth Games. Journal of Sport and Tourism; 12 (1): 5-23.

Scott, A. & Turco, D.M. (2007): VFRs as a Segment of the Sport Event Tourist Market. Journal of Sport and Tourism; 12 (1): 41-52.

Serra, Gy. (2014): A vívás lehetőségei a sportturizmus fejlesztésében. Unpublished thesis University of Debrecen.

Smith, A. (2009): Theorising the relationship between major sport events and social sustainability. Journal of Sport Tourism; 14 (2/3): 109-120.

UNEP WTO (2005): Making tourism more sustainable A Guide for Policy Makers. Madrid: World Tourism Organizations.

UNWTO (2004): Concepts and definitions: Sustainable development of tourism conceptual definition www.unwto.org/frameset/frame_sustainable.html.

Veltri, F., Miller, J. & Harris, A. (2009): Club sport national tournament: Economic impact of a small event on a mid-size community. Recreational Sports Journal; 33: 119-128.

WCED (1987): Our common future. Oxford: Oxford University Press.

Weed, M. E. & Bull, C.J. (2003): Sports Tourism: Participants, Policy and Providers. Oxford: Butterworth – Heinemann, 2003.

Weed, M. (2007): Editorial: Event Sport Tourism. Journal of Sport and Tourism;12 (1): 1-4.

FOCUS POINTS OF HEALTH TOURISM IN THE VIEW POINT OF CHANGING COSTUMER VALUES

József Lehota*, Tiago Manuel& Georgina Rácz***

Szent István University, Faculty of Economics and Social Sciences, Business Sciences Institute
Szent István University, PhD School of Management and Business Administration

Abstract: In our study, effecting role of values on consumer's buying decisions is going to be introduced in accordance with health tourism. Investigation of values has a highlighted role to predict future trends, because trends of consumer behavior are formed by values in several aspects. Furthermore, individual values reflect to subject's lifestyle, purchasing behavior and decisions in connection with free time activities. Since the end of '80s results of social studies pointed out that, status fortifying and demonstrative aspect of consumption have been getting stronger. So, the changes of buying decisions are not based on the social stratums any more, but it represents the values of the individual with the growing effect of subject. Hence, values, expressing the subjective judgments of consumers, are the most precise predictors of long term social changes.

In our study mainstreams of health tourism are going to be evaluated on the basis of secondary data. Furthermore, we identify place of health among individual values and its role in consumer decisions. During the analysis, we use data of national representative research to determine the Hungarian society's opinion and judgments in the viewpoint of health. Uni- and multivariate statistical methods are going to be used to get a wide view in accordance with the investigated topic.

Among our most important result, we define those consumer groups, in which health has a highlighted role in consumer decisions. We introduce lifestyle characters of these segments and determine them special needs in connection with purchased goods and services. This type of characterization makes it real to organizations of health tourism to develop a more effective marketing communication strategy and improve service features according to consumer needs.

Keywords: effect of values, trend of health tourism, consumer's value based decisions

Introduction

Trends of health-tourism

In professional literature health tourism is divided into two dimensions (wellness-tourism and medical tourism). Customers' buying goals and motivations are the basis of this separation. Medical tourism include visiting forms with medical motivations, while in wellness-tourism customers show the following buying goals: improve life quality, preventive healthcare (Figure 1). In our study we focus on trends of wellness-tourism, because this part of health tourism is strongly affected by values and lifestyle. So, values based service improvement could develop the customer market of wellness-tourism.

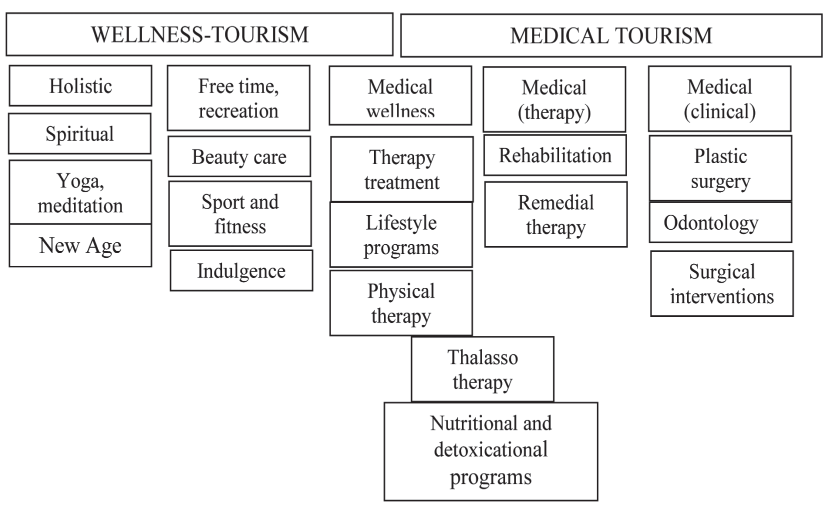


Figure 1. Dimensions of health tourism
Source: Smith – Puckó, 2008 in Sziva, 2010, p 74.

Wellness is targeting to produce overall health (mental, physical, biological), and it is rather connected to a lifestyle change than an exact illness treatment. Hence, wellness services offer complex health-care programs and give people opportunity to get a deeper knowledge about health issues. Furthermore, it is available for quests in an attractive environment and in an amusing way (*Rátz* 2001). According to Global Spa Summit wellness tourism involves people who travel to a different place to proactively pursue activities that maintain or enhance their personal health and wellbeing, and who are seeking unique, authentic or location-based experiences/therapies not available at home. Wellness tourist: generally seeking integrated wellness and prevention approaches to improve their health/quality of life (GSS, 2011). On the basis of interpretations of this organization, aspects of medical and wellness-tourism are definitely separable and, in the continuum of enjoyment and authenticity, it can be divided into for dimensions (Figure 2).

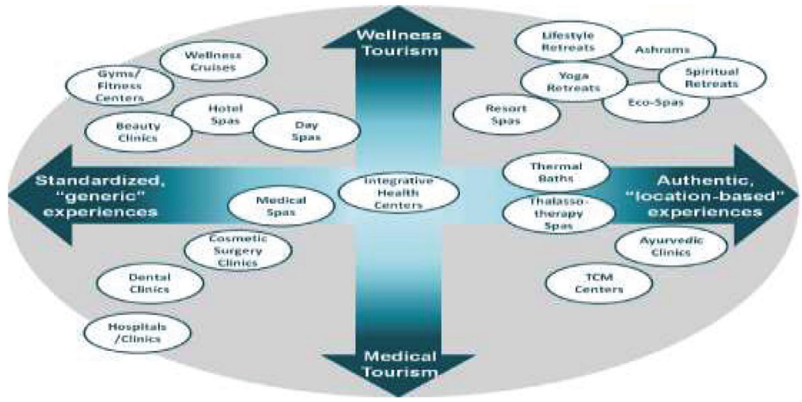


Figure 2. The Wellness Tourism and Medical Tourism Market Spectrum
Source: GSS, 2011, p 3.

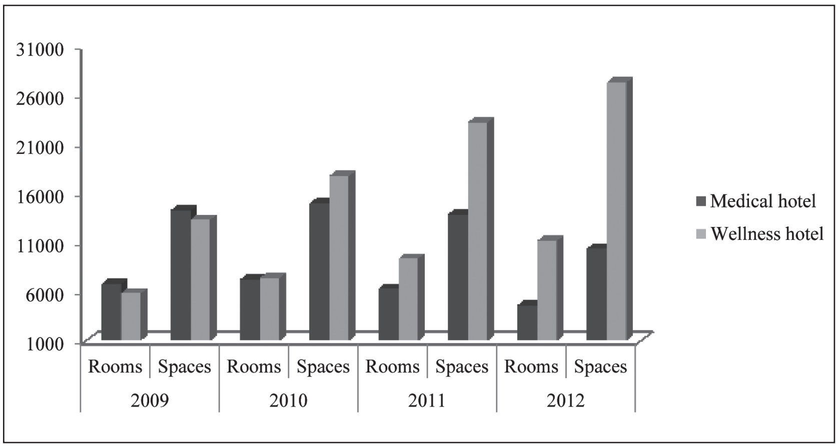


Figure 3. Capacity of commercial accommodations
Source: Magyar Turizmus Zrt., 2009-2012

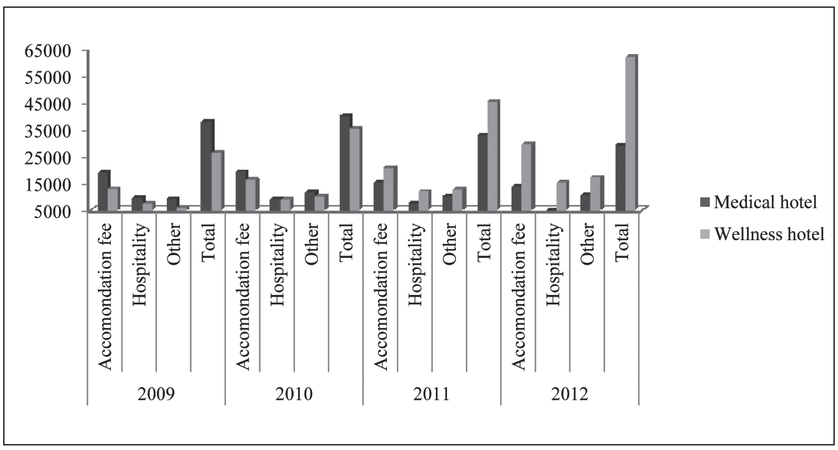


Figure 4. Gross income of commercial quarters
Source: Magyar Turizmus Zrt., 2009-2012

Domestic touristic trends prove, role of health tourism improved among touristic motivations between 2009 and 2012. In this term, ratio of tourist with health touristic motivations rose with 3% (from 1.7% to 4.7%) (Hungarian Tourism Ltd, 2009-2012). On the other hand, role of medical and wellness-tourism went through a change within health touristic motivations. It is true, average length of stay was higher in medical tourism (2.9-3% between 2009 and 2012), but number of guests and number of guests nights were higher in wellness-tourism than in medical tourism. Parallel with it, capacity of commercial accommodations and gross income of commercial quarters increased in wellness-tourism between 2009 and 2012. Furthermore, since 2010, capacity of commercial accommodations and since 2011, gross income of commercial quarters have been higher in wellness-tourism than in medical tourism (Figure 3 and 4).

This type of restructuration of health tourism reflects to changes of customer values, hence, appearance of health conscious consumer group is a must. Nowadays, several researches prove that, among consumer motivations, health concerns are getting a more important role. In the following chapter, consumer trends connected to health consciousness are summarized to give a better understanding of health touristic trends.

Effects of health consciousness on demand of wellness-tourism

Results of food consumption behavior researches, carried out by Marketing Institute of Szent István University, prove, factors of Hungarian value system form three different groups: hedonistic/convenience values, traditional values and material

Table 1. Order of social values

Social value	Mean	Standard deviation	Social value	Mean	Standard deviation
Health	4.88	0.45	Economical well-being	4.24	0.83
Happy family life	4.82	0.52	More free time	4.07	1.01
Silent, peaceful life	4.56	0.73	Providence	4.02	0.93
Good human relations	4.71	0.67	Make the best of opportunities of life	3.95	1.00
Good social relations	4.43	0.74	Travelling	3.58	1.13
Self-confidence	4.42	0.80	Carrier	3.47	1.13
Joyful, pleasurable life	4.25	0.86	Religion	2.89	1.31

Source: BERKE SZ. (2004)

values. Furthermore, investigations between 2002 and 2004, pointed out that, the most important values of Hungarians are the follows: peaceful, happy family life; good relations and health. Material concerns only appear after these (*Horváth et. al.* 2005).

Results above are enforced by other scientific studies and it is also demonstrated, health, as social value, has a highlighted role in Hungarians daily life (Table 1) (*Berke* 2004).

TNS Hungary examined Hungarians' overall health statues with the aid of national representative research in 2007. For this reason, the company developed six indexes, which could reach values between 0 and 100. From the mean of the six indexes Béres Egészség Hungarikum Index (Béres Health Hungaricum Index) was calculated, which measured the overall health conscious of Hungarian society. Results show that, although, we were not conscious about health, we thought that, we were well informed about health issues. A high ratio of Hungarian society stated, we would have had a chance for healthy lifestyle, even though, health concerns were not characteristic in activities. Furthermore, results proved, we thought ourselves more healthy than the overall health of Hungarian society (*Radnai-Illyés* 2007). The Szinapszis Egészségügyi Piackutató Ltd. got similar results in 2008. They explored, Hungarian society was poor knowledge about health issues and only 37% of the society show proactively interested in personal healthcare. According to demographical characters, it could be said, 41% of people younger than 25 years old looked for information connected to health prevention (this ratio was 60-70% among people between 25 and 70 years old). On the other hand, higher education generated a deeper health information seeking behavior (*Kiss-Kertész* 2008).

The Millward Brown Healthcare and the TGI (Target Group Index) division carried out a common research among Hungarians between 14 and 69 years old in 2010, in which they investigated health consciousness of Hungarian adults. Main result can be summarized as follows (www.medicalonline.hu 2010):

- Preventive lifestyle was characterized by only a small fraction of Hungarian society. For the biggest part of Hungarians, importance of health had got an essential meaning only if it was in danger.
- More than the half of adults thought, they did not need to do more to promote them health statues.
- Only the half part of the society stated, they could influence them health statues.
- 20% of the society had complex health promoting techniques. It was more meaningful among women, residents and people from higher social classes.
- Long term health promotion was less dominant among younger subjects. Health concerns rather connected to personal appearance. In this case, young men, who regularly do sports, were the most open-minded group in the viewpoint of health consciousness.
- Middle aged generation did very little health promoting activities, if they did not notice health problems.
- Elderly people with low education, from rural areas (28-30%) were almost totally uninterested in decadence of them health statues.

As a summary, we can say that, need for a healthy lifestyle has appeared in the Hungarian society, but only a small part of Hungarians' acts meet the requirements of healthy lifestyle. They are mainly residents and come from higher social classes.

This consumer typology is parallel with segmentation results of wellness-tourism market. According to different researches, customers of health tourism can be characterized with the following socio-demographical factors (*Michalkó et al,* 2011; *Walter* 2006; *Laczkó-Rébék Nagy* 2007):

- they come from 18-29 and 40-49 age groups,
- high and middle educated,
- they come from the chief town of counties,
- they belong to the upper and upper-middle income quartiles,
- they come from A and B social classes.

Among customer motivations relaxation (71.0%) and health promotion (21.5%) are the most typical (*Laczkó-Rébék Nagy* 2007). *Moreover, Laczkó-Rébék Nagy* (2007) explored six customer segments of wellness-tourism market among customers from Southern Transdanubia. From these six segments the following three can mean potential target groups of wellness-tourism: (1) sport orientated (28.4%) – primary motivation is active relaxation; (2) busy, rushed – a fifth of customers, primary motivation is relaxation; (3) health- and environmental conscious (28.0%) – complex wellness programs. *Walter* (2006) also divides into six segment the market demand of tourism. From these segments two can be highlighted in the viewpoint of wellness-tourism: price sensitives (7.0%) and opinion leaders (36.0%). For these two segments relaxation is also important, but they take into account environmental viewpoints during travelling. Healthy nutrition and tradition are essential for them, but they seek for variety at the same time.

Both, trends of health consciousness and characters of customer groups defined by wellness demand researches show that, nowadays, exploration of value based lifestyle segments and develop marketing activities according to these principals is more important than socio-demographical characters based segmentation. In our opinion, on the basis of the latest consumer trends, customer groups with health and enjoyment seeking motivations come into the front in the wellness-tourism market. Nowadays, this hybrid lifestyle is typified by LOHAS (Lifestyle of health and sustainability) consumer segment.

International literature introduce LOHAS as follows: they are quality orientated, health consciousness and sometimes, they have an unusual interest in effects of products and services on environment and social justice ("moral purchases"). They accept higher prices (*Kreeb et. al* 2008). Most crucial factors of them attitude are environment, society and corporate social responsibility. They are innovators, they can influence opinion and purchasing decisions of them family and friends and they are loyal to brands (*French-Rogers* 2006). LOHAS consumer developed a hybrid lifestyle, in which different characteristics associate with each other. These, partly contrary attributes, describe the strongly value orientated lifestyle of new ethical consumer (*Schulz* 2008).

During our research, we define Hungarian value based lifestyle segments to develop wellness-touristic demand. Exploration of the needs of new customer segments, we can define market gaps. These gaps can be potential growing factors, if development of wellness-touristic supply meets new customer needs.

Materials and methods

In our study we introduce results of two national representative researches. The first was carried out in 2011. Goal of this investigation was to identify the domestic sustainability committed consumer groups. This representative research is supported by a quantitative investigation, in which five theoretical values dimensions were explored: environmental consciousness, health consciousness, ethical values, authentic values and individualism. During quantitative research, with the aid of a statement list, appearance of theoretical dimensions among Hungarians was tested. After it we formed value based lifestyle segments. The second data gathering was carried out in 2013. Goal of this research was to explore that, how appears sustainability in everyday life of Hungarians. Sample size was 1015 subjects in 1011 and 1038 subjects in 2013.

Data was gathered in the frame of Omnibus 2011 and 2013 researches carried out by Cognative Market research Ltd. Data was collected with the method of strict random walk, on the basis of layered sampling, which was formed according to settlements and counties. During collection 111 sampling points were used. Subjects were elected according to the birthday key. Data was weighted on the basis of Microcenzus 2006 of KSH with marginalities of age, gender, education, region and settlement. Hence, sample is representative according to the mentioned weighted variables. Data was analyzed with SPSS 16.0 software. During the analysis we used descriptive statistics and also bi- and multivariable statistic, in which cross-table, variance-, factor- and cluster analysis (k-means) were calculated. During factor analysis, we also investigated the skewness of factor scores to understand better the influencing role of value system. As we used standardized numbers, negative value of factor scores, which were measured with the aid of five stepped scale (1 – totally not true, 5 – totally true), means that the distribution is skewed to the right (so it is rather true), while positive values means the distribution is skewed to the left (so it is rather not true) (*Székelyi-Barna* 2008).

Among the explored consumer segments we highlighted those, which represent market gaps nowadays. So, these segments are growing factors in wellness-touristic market. In our study we also calculated the purchasing power of new market segments to define the reachable income growth, if development of supply structure meets customer needs.

Results and discussion

At first, we introduce results of research, which was carried out in 2011. We used factor analysis to test theoretical values dimensions. Our results proved, dimensions, discovered with qualitative research, appeared in value structure of Hungarians. It is true, quantitative results show a bit different structure, because of the construction of health- and environmental consciousness and ethical values. Compared to the theoretical structure values, connected to health- and environmental consciousness formed one factor, while ethical values separated into two factors: ethical (competence) values and ethical (corporate behavior) values. In this case, ethical (competence) values represent subjects' ethical acts, which appear in the everyday life (for instance donating, volunteer work). Ethical (corporate behavior) values include factors, which connected to corporate social responsibility (for example fair work conditions and charity).

Investigating skewness of factor scores, we identified that Hungarian consumers considered ethical (competence) values as the less crucial for them, compared to the other dimensions. On the other hands, ethical (corporate behavior) values, authentic values and health- and environmental consciousness values were really important for the subjects. Importance of individualism was between these two side points. It was less essential than health- and environmental consciousness, authentic values and ethical (corporate behavior) values, but more important than ethical (competence) values.

After we had identified the values dimensions of sustainability, we did values based lifestyle segmentation with the aid of cluster analysis. According to the sustainable value system five lifestyle segments were defined: (1) Elderly, health conscious (17.0%), (2) Trend followers (21.0%), (3) Health- and environmental conscious patriots (27.0%), (4) Unconcerned (19.0%) and (5) Disappointed pessimistic (16.0%). Out of these groups, "Trend followers" represents the potential market of goods and services produced in a sustainable way. Lifestyle characters of "Trend followers" can be defined as follows: health- and environmental consciousness, both ethical (corporate behavior) and ethical (competence) values are important for them. Furthermore, authentic values play an essential role in them lifestyle and they are the most individualistic consumers. According to socio-demographical characters high (35.1%) and high-middle (32.0%) social class, households with net monthly income over 100,000 HUF (33.9%) are over represented in group of "Trend followers". In accordance with age groups ratio of 15-24 years old subjects is dominant (30.8%), while proportion of subjects over 65 years old is only 9.0%. On the basis of settlements, metropolitans (29.0%) and residents (25.9%), according to regions, the Central-Region (include the capital city) (31.4%) and Northern Great Plan (31.0%) are over represented. Dominance of high and middle educated subjects (29.0% and 33.6%), who are active workers (26.2%) is definable. In accordance with occupation independents/self-employed (42.9%), white collar workers (33.7%) and students (36.9%) appear in the group. Investigating consumers commitment to sustainability (index of Cognative Ltd), "Trend followers" is characterized by middle (32.7%) and high (37.6%) commitment, while not committed subject are strongly underrepresented in the group (10.6%).

According to results of investigation carried out in 2013, Hungarians' sustainable acts in daily life form a structure as Table 2 represents. Factor 1 (explained variance 22.20%) includes innovative lifestyle and technological elements and factor 2 (explained variance 15.62%) contains elements connected to sustainable food choice and use. Factor 3 (explained variance 6.11%) represents the sustainable self-farming, factor 4 includes (explained variance 3.55%) the energy saving ways with low inputs and factor 5 (explained variance 3.15%) reflects to alternative way of transportation. Investigation skewness of factor scores, we can determine, alternative way of transportation (Skewness: -0.818) and sustainable food choice and use (Skewness: -0.422) come into the front in the Hungarian society, while innovative lifestyle and technological elements (Skewness: 1.072) are the less important factors in subjects' way of life. Opinions connected to sustainable self-farming (Skewness: -0.100) and energy saving ways with low inputs (Skewness: 0.253) are between the two mentioned endpoints.

Table 2. Value order in the viewpoint of sustainable acts

Elements	Factor 1	Factor 2	Factor 3	Factor 4	Factor 5
I am on a vegetarian diet.	0.763	0.009	0.079	-0.023	0.027
I use separated device to measure consumption of household appliances with high energy need.	0.745	-0.108	0.183	0.076	0.039
I buy food stuffs from internet.	0.738	-0.028	0.091	-0.027	-0.100
I use alternative, sustainable energy developments.	0.722	-0.012	0.040	0.152	-0.004
I buy green energy from electrical suppliers.	0.717	-0.002	0.127	0.094	0.103
I build or rebuild a, so-called, half or totally passive house.	0.673	-0.049	0.165	0.244	-0.026
I aim applying electronic paying forms, if it is available , I ask for electronic invoice.	0.631	0.077	-0.069	0.171	-0.133
I use environmental friendly fuel for my car.	0.529	0.005	0.179	0.200	0.034
I increase the fruit and vegetables consumption, especially during seasons.	-0.023	0.699	0.024	0.110	0.072
I prefer seasonal foods.	-0.116	0.656	0.101	-0062	0.023
I prefer locally grown and processed foods.	0.011	0.639	0.220	0.051	0.047
I reduce amount of food waste.	-0.036	0.635	0.131	0.085	0.171
I aim energy saving during cooking.	-0.150	0.577	0.121	-0.058	0.239
I increase consumption of poultry and fish.	0.241	0.575	0.021	0.153	0.079
I reduce the amount of food waste with planned purchasing, storing and stocking.	0.017	0.557	0.196	0.112	0.132
I grow a part of my food-stuffs.	0.136	0.200	0.670	0.003	0.051
I collect selective the waste from kitchen and garden and composting.	0.207	0.240	0.612	0.158	0.068
Instead of using fertilizers and pesticides I chose natural materials.	0.232	0.267	0.580	0.116	0.065
I build in thermo-isolated windows and doors.	0.332	0.163	0.091	0.781	-0.149
I isolate my flat or house.	0.287	0.189	0.167	0.718	-0.104
I chose bike or go on foot to do the shopping.	-0.145	0.181	0.012	-0.156	0.700
I use public transportation instead of car for longer travelling.	0.034	0.150	-0.021	-0.079	0.680
I use my car less to do shopping.	0.064	0.148	0.152	0.037	0.513

Extraction Method: Maximum Likelihood. Rotation Method: Varimax with Kaiser Normalization. Rotation converged in 6 iterations. KMO=0,884, Bartlett: (Approx. Chi Sq.) 10819,114 (Sig.) 0,000; Communalities: 0,255-0,745, Total Variance Explained: 50,625
Source: Own research, 2013, N=1038

On the basis of the value structure above, we identified six lifestyle segments:

Cluster 1: Innovator consumers committed to sustainability (20.40%),
Cluster 2: Low income survivals (20.33%),
Cluster 3: Easy-going conscious consumers (12.40%),
Cluster 4: Early-bird consumer committed to sustainability (11.60%),
Cluster 5: Individual unconcerned (17.92%)
Cluster 6: Path seeker inquisitive (17.82%)

In the viewpoint of sustainability cluster 1 and cluster 4 can be highlighted. Common character of them lifestyle is that, compared to the sample mean all of investigated sustainability motives are over rated by them. At the same time, importance of dimensions is different in the mentioned consumer groups. So , innovative lifestyle and technology factor is the most essential lifestyle character of „Innovator consumers committed to sustainability", while, in daily life of „Early-bird consumers committed to sustainability" the mentioned factor has a lower effect.

Investigating socio-demographical characters we can determine that "Innovator consumers committed to sustainability" definitely come from the 15-24 years old age group (22.6%) and they are middle (42.3%) and high (17.3%) educated. According to occupation professionals/managers (6.2%), white collar workers (38.9%) and students (15.9%) are over represented. Moreover, they are members of the high-middle and middle social classes (22.7% and 29.5%), who live in the capital city (30.3%) and them monthly net incomes per person is over 105,000 HUF (41.7%). "Innovator consumers committed to sustainability" have high sustainability commitment index (19.6%). Members of „Early-bird consumer committed to sustainability" are mainly between 51 and 64 years old and over 65 years old (35.5% and 25.6%), who come from the middle social class (32.2%) and live in the rural area (50.4%). According to occupation independents/self-employed (5.0%) and retired (43.8%) are over represented. The monthly net income per person is between 80,001 and 105,000 (36.0%) and they have middle (48.3%) and high (30.8%) commitment to sustainability.

Results of two independent researches prove that sustainability committed consumer group has appeared also in Hungary. These consumer segments have a strongly value orientated lifestyle. On the other hand, needs of explored consumer groups only partly satisfied nowadays. So, the new market segments represent potential growing factors for wellness-touristic products. In the last part of our study, we calculated of purchasing power of defined consumer groups. Purchasing power enforce that income of wellness-tourism could significantly improve with the aid of lifestyle based positioning strategy. According to data of KSH (Hungarian Central Statistical Office) customers spent 14,086,192 HUF/person for domestic travels in 2011, while this amount was 18,394,804 HUF/person in 2013. So, touristic purchasing power of "Trend followers" is over 25 billion HUF, "Innovator consumers committed to sustainability" represent 31.5 billion HUF market size and purchasing power of „Early-bird consumer committed to sustainability" is 18 billion HUF.

Conclusions and recommendations

In our study we introduced that conventional market segmentation based on social classis is getting less efficient and identification of value based lifestyle segments come into the front. Value orientated lifestyle segment show big differences according to socio-demographical characters, but they have common purchasing motivations. In the introduction we determined, demand of wellness-touristic products strongly depends on lifestyle. So, exploring new consumer trends and consumer groups, market size could be significantly improved. To achieve it, naturally, we need correct consumer classification and reconstruction of wellness-touristic supply to meet customers' needs.

Nowadays, concept of sustainable consumption is one of the most essential consumer trends. Here, supply, formed on the basis of consumers' needs, could results stabile and returning gests. During our research, we introduced results of two independent national representative researches, in which we identified three consumer segments in the viewpoint of sustainability:

- Trend followers (21.0%),
- Innovator consumers committed to sustainability (20.40%),
- Early-bird consumer committed to sustainability (11.60%).

Common character of explored consumer segments is that, they have a kind of hybrid lifestyle. So, between enjoyment seeking and personal goals, social responses also appear in them purchasing process (for instance environmental protection, ethical behavior). Today, needs of identified consumer segments have been not totally satisfied. In this way, they represent potential growing factors in the wellness-touristic market. This opinion is enforced by purchasing power of new market segments. It proves that, if need of new groups is totally satisfied, domestic touristic incomes can improve with 18-27 billion HUF per year. We recommend the following actions to servicers meet customers' needs:

- develop services according to principals of sustainability (energy saving solutions, sustainability in food supply),
- quality orientated approach (to reduce price sensitivity),
- detailed information sharing.

References

Berke Sz. (2004): Táplálkozási előnyök szerepe a fogyasztók élelmiszer választásában, Élelmiszer, Táplálkozás és Marketing, 1 (1-2): 45-54

French S, Rogers G. (2006): Understanding the LOHAS Consumer: The Rise of Ethical Consumerism, Natural Marketing Institute, USA, Harleysville. 10-15.

Global Spa Summit (2011): Wellness Tourism and Medical Tourism: Where Do Spas Fit?. New York 3

Horváth Á, Fürediné Kovács A & Fodor M. (2005): Az értékrend hatása a táplálkozásra. The Hungarian Journal of Food, Nutrition and Marketing, 2 (1-2): 69-76.

Kiss K, Kertész B. (2008): Az egyén felelőssége az egészségügyi ellátásban. Avagy hol tart a magyar társadalom egészségtudatossága. Egészségügyi Gazdasági Szemle. 46 (3): 43-46.

Kreeb M, Motzer M & Schulz W. F. (2008): LOHAS als Trendsetter für das Nachhaltigkeitsmarketing, in: Schwender C, Schulz W, Kreeb M. (editors.). Medialisierung der Nachhaltigkeit. Das Forschungsprojekt balance(f): Emotionen und Ecotainment in den Massenmedien. Marburg: Metropolis. 491.

Laczkó T, Rébék Nagy Á. (2007): A wellness régióspecifikus jellemzői c. kutatás kutatási jelentés. Pécsi Tudományegyetem Egészségtudományi Kar. 86-91.

Magyar Turizmus Zrt. Turizmus Magyarországon 2009-2012:1-16.

Michalkó G, Rátz T, Irimiás A & A Pagani (2011): Az egészségturizmus és az életminőség magyarországi kapcsolatának vonatkozásai In: Michalkó G, Rátz T. (editors) Egészségturizmus és életminőség Magyarországon. MTA Földrajztudományi Kutatóintézet, Budapest, 75-94.

Radnai A, Illyés A. (2011): Egészségindex: a magyar egészségtudat számokban. 2007 http://egeszseg.origo.hu/cikk/0714/328205/20070407egeszseginde_1.htm Downloaded: 22. 01.

Rátz T. (2001): Zennis és Lomi avagy új trendek az egészségturizmusban. Turizmus Bulletin, 5 (4):7-16

Schulz W F. (2008): Der Markt für nachhaltige Produkte, Eine Chance für den Mittelstand, Vortrag im Rahmen der BMZ/DIHK – Auftakveranstaltung „Mittelstand schaft Werte" am 6. Dezember 2008 in Berlin im Haus der Deutschen Wirtschaft. 20.

Smith M & Puczkó L. (2010): Health and wellness tourism. Butterworth-Heinemann Oxford 2008 in Sziva I. Öntsünk tiszta vizet… Az egészségturizmus fogalmi lehatárolása és trendjeinek válogatott bibliográfiája. Turizmus Bulletin, 14 (4):74

Székelyi M & Barna I. (2008): Túlélőkészlet az SPSS-hez. Typotex Elektronikus Kiadó. Budapest. 454 o.

Walter V. (2006): A turizmus mint a területfejlesztés eszköze a Kaposvári Kistérségben. Kaposvári Egyetem. Doktori (PhD) értekezés. Kaposvár. 109-121

http://www.ksh.hu/docs/hun/xstadat/xstadat_eves/i_ogt009.html Downloaded: 03.13.2014.

http://www.ksh.hu/docs/hun/xstadat/xstadat_eves/i_wdsd004b.html Downloaded: 03.13.2014.

http://www.medicalonline.hu/pharma_klub/cikk/fokuszban_az_egeszsegtudatossag__merre_tartunk_ Downloaded: 02.15. 2011.

IMPORTANCE AND IMPACT OF GUEST SATISFACTION

Klára Morvay Karakas

Budapest Business School

Abstract: The service quality can be measured by the consumers' satisfaction. Researchers assume that high quality satisfies the guests and satisfaction may increase their loyalty.
The main goal of this article is to measure guest satisfaction and prove its positive impacts on Hungarian hotels' performance. A comprehensive survey was made on the Hungarian wellness hotels in October 2012; the primary aim was to provide them suggestions to improve their quality on the base of guests' feedback. A self-administered questionnaire were compiled and sent back by 815 respondents. The investigation examined the quality awareness, quality perception, guest satisfaction and the following behavioral intentions of domestic guests of spa hotels. It can be concluded that domestic guests are generally satisfied with the quality of services offered by Hungarian spa hotels. The message of this research is for hotel managers that the increase of guest satisfaction can be reached by the improvement of service quality, and not only with price discounts. It has been demonstrated that satisfaction is closely related to their willingness to return to the hotel, so it is an essential condition of loyalty.

Keywords: hotel, guest satisfaction, customer value, loyalty

Introduction

The main goal of all business to meet customer needs while achieving profit targets. This customer-orientation is now essential because of the increasing competition and quality requirements (*Chikán* 1997). The Hungarian hotel market has changed a lot in the last 5 years. Besides the growing capacity the economical crisis reduced the demand, financial sources have dried, costs have been increased and hotels must cut back on their development plans.

The level of quality noticeably decreased which increased the number of disappointed visitors. Hotels tried to compensate the quality problems with cheaper prices. On this market the measurement of consumers' expectations and satisfaction has become indispensable for those hotels which intend to keep their long-term market position. Reaching of high quality and satisfaction may create a loyal customer base with a lot of positive returns. Or hotels can get more guests only with budget prices? Are there any benefits to improving customer satisfaction?

The concept of consumer satisfaction

In the marketing science numerous attempts have been made to define „satisfaction", but even the best studies „*can be characterized by a lack of conceptual and methodological uniformity"* (*Peterson* and *Wilson* 1992). Literature uses the term „consumer satisfaction" exemining the final user (*Westbrook* 1980; *Tse* and *Wilton* 1988; *Cronin* and *Taylor* 1992; *Oliver* 1993; *Spreng, MacKenzie* and *Olshavsky* 1996). „Customer satisfaction" is used in case of the relevancy of purchasing transaction (*Churchill* and *Suprenant* 1982; *Fornell* 1992; *Halstead, Hartman* and *Schmidt* 1994; *Smith, Bolton* and*Wagner* 1999).

In hotel and hospitality industry „Guest satisfaction" (*Cadotte* and *Turgeon* 1988; *Gundersen et al.* 1996; *Spinelli* and *Cannavos* 2000; *Blesic et al.* 2010) or simply „Satisfaction" concept is applied (*Kourilsky* and *Murray* 1981; *Oliver* and *Swann* 1989; *Mittal, Koumar* and *Tsiros* 1999). „*These terms are practically interchangeable, there is little about the exclusivity of any of those*" (*Szántó* 2003).

In addition to the different terminology the interpretation of satisfaction concept also varied. According to *Yi* (1990) the result-oriented definitions of satisfaction are directly related to the consumption experience or specific feelings induced by the experience. Grouping those feelings they are classified to the same group as enthusiasm, joy, happiness, relief (*Schmidt-Atzert* and *Ströhm* 1983) or well-being (Ulich and Mayring, 1992). According to *Howard* (1977) satisfaction is a mental state of consumer caused by the comparison of his costs and benefits.

In the process-oriented interpretation the focus is on the detection, evaluation and psychological process which contribute to satisfaction. According to *Hunt* (1977) the satisfaction is not an emotion, but an evaluation process, where the experience is at least as good as expected.

Satisfaction can be applied in relation to a company or a product (*Meffert* and *Bruhn* (1981) name it macro and micro-level) or a certain quality attribute (*Mittal, Kumar* and *Tsiros,* 1999).

The consumer can be satisfied and dissatisfied simultaneously with a service concerning the different components (eg. satisfied with the design of the hotel room, but at the same time dissatisfied with the breakfast selection). Hotel managers usually deal with quality attributes rather than overall level of satisfaction.

Quality characteristics are not equally important during the evaluation process (*Kano et al.* 1984; *Schütze* 1992; *Johnston* 1995), for example the cleanliness of a hotel room is more important than the color of the carpets.

The confirmation/disconfirmation paradigm (Figure 1) has become the dominant framework employed in the assessment of customer satisfaction with hospitality services (*Yüksel* and *Yüksel* 2001). It says that satisfaction is an evaluation rendered that the (product) experience was at least as good as it was supposed to be (*Hunt* 1977; *Gardini* 1999). Actually satisfaction is when the percieved performance of a hotel exceeds the guest expectations.

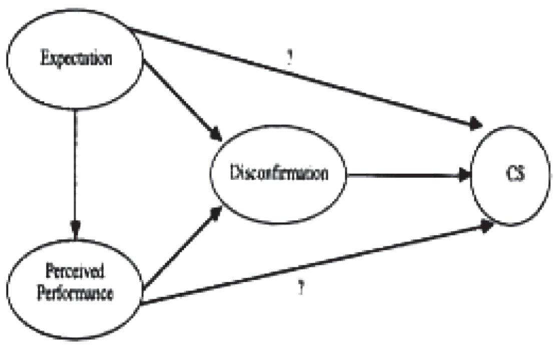


Figure 1. The disconfirmation paradigm
(Source: Yi, 1993, p: 503.)

Importance of satisfaction

As all researchers agree that satisfaction is a core factor of business success, several key benefits are enumerated for firms (*Fornell* 1992; *Anderson et al.* 1994; *Muffatto* and *Panizzolo* 1995; *Sharma et al.* 1995; *Zeithaml* 2000). Satisfaction can:

- enhance the company's reputation and positive image
- increase sales volume, satisfied customers are more frequently purchase
- lower marketing costs of attracting new customers
- increase positive word of mouth providing instant awareness and lowering the buyer's risk
- improve more effective respond to customer needs
- lower transaction costs
- reduce the rate and costs of false performance
- fewer resources devoted to handling and managing complaints
- increase the stability of staff
- indicate increased loyalty, loyal customers are likely to continue to purchase from the same supplier
- insulate current customers from competitive efforts causing less churn
- reduce price elasticity, as satisfied customers are willing to pay for the benefits and more likely to be tolerant of increases in prices
- increase profitability and market share
- lead to better economic returns of investment (*Reichheld* and *Sasse*r 1990; *Bátor* 2007).

Behavioral consequences of satisfaction

Examining the level of satisfaction from the customers' point of view different behavior is expected. Customers can be classified into several categories:

Disappointed: those who got less compared to their expectations, leaving dissatisfied. In most cases they don't complain at the site (passive negative attitude), but according to their level of dissatisfaction and personal characteristics they can attest active negative behavior. Those more likely engaged in negative word of mouth damaging the firms's reputation and image.

Satisfied: those who got what they expected. Their attitude is positive to the company, prefer its products, but doesn't demonstrate active behavior.

Fascinated: those who percieved much higher level of performance compared to expectations. They reward the company with an active positive behavior widely advertising their good experiences as ambassadors of the firm, improving the reputation (*Bohnné* 2005; *Hofmeister et al.* 2003).

Loyalty is one of the positive results of satisfaction. Commited customers regularly repurchase from the same company, recommend it to others always having positive attitude towards that firm and product/service (*Kandampully* and *Suhartanto* 2000).

Several researchers have examined those factors that affect the formation of loyalty. There hasn't been consensus yet, but as a basis the role of high service quality and satisfaction is emphasized (*Cronin* and *Taylor* 1992; *Getty* and *Thompson* 1994) as a promoter, while technical, economical and psychological factors of switching (*Selnes* 1993; Gremler and *Brown* 1997) and company's image are influencing it (*Kandampully* and *Suhartanto* 2000).

Therefore it can be assumed, that the „quality – satisfaction – loyalty" relationship exists, based on which the high quality will satisfy consumers what leads to loyalty (*Grönholdt* et al. 2000).

Töpfer (1999) states that satisfaction is important but not sufficient condition to loyalty. The most satisfied customers are not necessarily become loyal; in fact many of them leave the organisation (*Reichheld* and *Teal* 1996). According to *Vollmer et al.* (2000, p. 476.) „*also dissatisfied customers may be loyal which questions the clarity of satisfaction – loyalty relationship*".

Edvardsson et al. (2000) call attention to the difference between „deserved" and „bought" loyalty. Loyalty can be deserved with high quality and favourable consumer evaluation while can be bought with discounts. In this case customers use out the discount/promotional price, buti f they find a cheaper provider, then switch immediately.

If a company can't match or exceed expectations, customers generaly leave the firm. The following terms are used for this phenomenon: customer attrition, churn, turnover, customer defection.

It's high interest of companies to identify as early as possible those customers who tend to migrate, to constantly monitor satisfaction and regularly examine all complaints. Developments should be built on those results, not to make the same mistakes twice.

Customers' complaining behavior can vary. When problem occures some customers immediately express their dissatisfaction towards the service provider, others not complain on the spot but share their problems with family members, friend or with wider community via social media platform as negative word of mouth. In practical terms that is irrelevant if the complain is justified or not (*Veres* 1998). An uncorrected error could lead to the loss of a client, while a properly handled complain may have the opposite effect.

Positive word of mouth has many advantages; it is nine times more effective than traditional advertising methods (*Day* 1971). It has a large influence on every purchasing decision, especially in case of services, what involve higher risk than tangible products.

Nowadays customers can create UGC (User Generated Contents) using internet to share experiences and thoughts (**Goldsmith** and *Horowitz* 2006). „*In practice, internet has replaced the traditional WoM by e-WoM (Electronic Word of Mouth) and buzz*" (*Hennig-Thurau et al.* 2004, p: 39.). Customers feel more secure having references and opinions of other users (*Hennig-Thurau and Walsh* 2003). People try to learn from the experiences of others, try to imitate their behavior, if there is not enough information available (such as in case of services). This phenomenon is called: herding behavior (*Kwon, Bae* and *Phelan* 2011).

Blogs became very popular in tourism and considered as special WoM. Valuable data can be forwarded to the readers providing insights into wrighters' life. Credibility of blogs is much higher than traditional tourism information sources. The only disadvantage of e-Wom is the hundreds of daily comments what hotel managers are not able to constantly monitor and handle (*Sung, Chiu, Hsieh* and *Chou* 2011).

In the light of the above mentioned literature background we can state, that main goals of companies are to satisfy customers and manage the consequences on that way which brings them the most benefits.

Materials and methods

A comprehensive survey was made on the Hungarian wellness hotels in October 2012, the primary aim was to provide them suggestions to improve their quality on the base of guests feedback.

Besides more focus group conversations and personal interviews also a questionnaire were compiled and spread electronicaly and on paper format. 834 respondents sent it back from which 815 were valid and evaluated. All respondents were domestic guests with experience in Hungarian spa hotels. The questionnaire consisted of several parts from which those sections are presented dealing with satisfaction and its consequences.

After the primary data collection statistical analysis was carried out by using SPSS 21 statistical software and Microsoft Excel program. Mean, standard deviation, principal component analysis, correlation and tightness testing, cluster analysis were conducted.

The respondents could express their opinion using a 5-point Likert-scale (*1-totally disagree, 5-totally agree*) which provides an effective method for measuring guest satisfaction and the following behavioral intentions.

Results and discussion

It can be concluded that domestic guests are generally satisfied with the performance of the Hungarian wellness hotels. Refering to disconfirmation paradigm, the value of experienced service (4,3) is slightly less than the expectation value (4,6).

The questions in Table 1 are intended to measure the level of satisfaction what is quite high (4,3) but doesn't reach the maximum of 5. Question no. 65 got the highest value (4,4) indicating that the most important component of satisfaction measures is the positive experience.

Table 1. Questions related to satisfaction

Please, indicate to what extent do you agree with the following statements! (1-strongly disagree, 2-somewhat disagree, 3-neither agree nor disagree, 4-somewhat agree, 5-strongly agree)	Average
62. The service quality what I experienced meets my expectations („I got what I expected")	4,2
63. Overall, I was satisfied with the services provided by the hotel	4,3
64. I am satisfied with my choice of hotel (with my decision)	4,3
65. I left the hotel with positive experiences	4,4

(Source: Own research)

Based on the answers we can state that the bigger is the city where the respondents live the less satisfaction level was measured. Satisfaction changed concerning the income of the household: the lowest and highest income earners are less satisfied with the services they recieved. Usually the most satisfied people live in the average households.

According to the guest questionnaire a close relationship was found between percieved quality and satisfaction, this is proven by Table 2. Most of the components are on the main diagonal of the table, and the Pearson correlation coefficient is high (0,62).

Table 2. Relationship between percieved quality and satisfaction (number of respondents)

Quality	Satisfaction				
	1-2	**2-3**	**3-4**	**4-5**	**Total**
2-3	2	2	2	0	6
3-4	2	26	82	79	189
4-5	2	6	49	563	620
Total	**6**	**34**	**133**	**642**	**815**

Figure 2 shows that the more satisfied a guest, the higher level of quality was detected. Also the reverse relation is true, ie: the higher the percieved quality was, the more satisfied the guest felt.

The following diagram (Figure 3) shows that guest satisfaction paralelly increases with the star ratings of the hotels.

Examining the customer value guest should evaluate the quality in relation to the price paid. Survey proved that when percieved quality was below average then guest felt that the price was higher (4) or much higher (5) than the service received. With the growing performance of the hotels guest felt proportional growth in value (Figure 4).

Similarly, a strong correlation can be seen between satisfaction and customer value (Figure 5). Dissatisfied guests evaluated the price high (4) or extremly high (5) compared to the service quality, the hotel category, the gained experiences and the planned costs. The majority of satisfied guests felt the price paid proportional to the perceived service quality.

Those questions (Table 3) investigating after consumption behavior of the guests approach this subject from two different sides such as the consequences of percieved quality and satisfaction.

Table 3. The level of loyalty

Please, indicate to what extent do you agree with the following statements! (1-strongly disagree, 2-somewhat disagree, 3-neither agree nor disagree, 4-somewhat agree, 5-strongly agree)	Average
66. I will return to this hotel as soon as I can	3,86
67. I shared my experiences with my family and friends	4,51
68. I shared my experiences in wider community (web 2.0, facebook, blog)	2,34
69. I happily take the discount of the competitor hotels as well	4,04
70. In case of slightly increase of prices I still would return to this hotel	2,99

(Source: Own research)

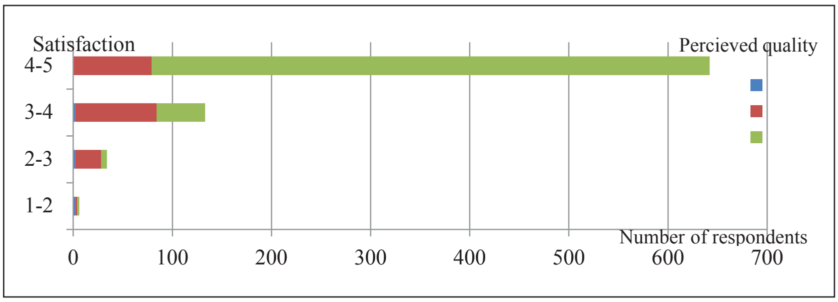


Figure 2. Relationship between the percieved quality and satisfaction (Source: Own research)

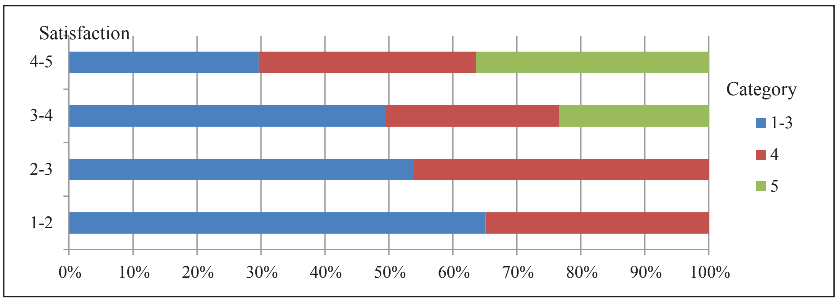


Figure 3. Guest satisfaction in relation to the hotel (star)rating (%). (Source: Own research)

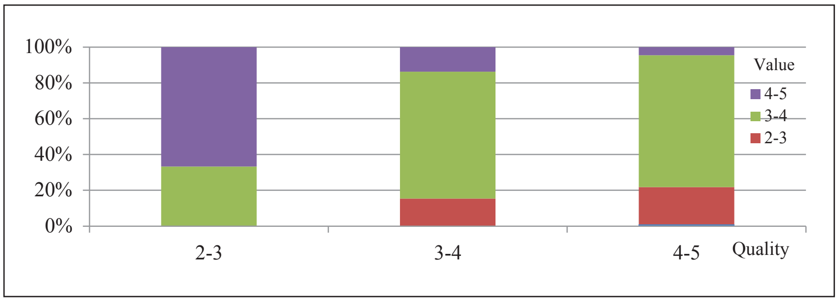


Figure 4. The percieved quality compared to the customer value (%). (Source: Own research)

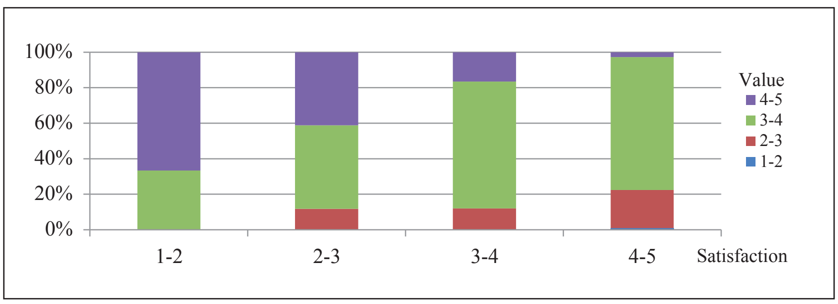


Figure 5. The guest satisfaction compared to the customer value (%) (Source: Own research)

According to the consequences of satisfaction analysis concluded that domestic guests share their experiences in a narrow circle (4,51) mainly for family members and some friends. Although they rely on social media platforms as sources of information, but they themselves rarely (2,34) take comments and evaluations on it.

Guests indicated with a relatively high value (3,86) that they would gladly return to the hotel, but would not tolerate (2,99) any price increase. Question 69 refers to the high price sensitivity, especially in case of middle and lower income earners segments. In general this sample is not considered to be too loyal, as they can be attracted (4,04) by competitors with campaign prices and discounts.

The investigation clearly shows (Figure 6) that dissatisfied guests do not intend to return (question 66.), but but with the increase of satisfaction level the willingness grows.

The same tendency can be seen on Figure 7: much higher proportion of satisfied guests shares their experiences with relatives and even widely. Satisfied guests are really reluctant to recommend the given hotel to others. It somewhat refutes those generalizations that Hungarians always focus on bad news and problems.

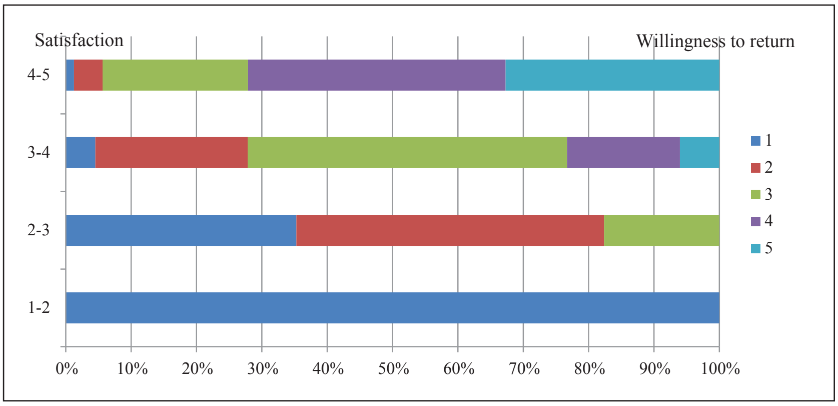


Figure 6. The guest satisfaction in relation with willingness to return to hotel (%) (Source: Own research)

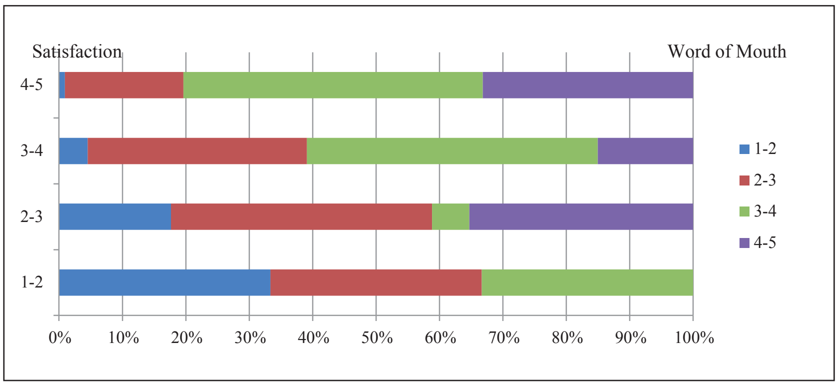


Figure 7. The guest satisfaction in relation with the word of mouth (%) (Source: Own research)

Conclusion, recommendations

The widespread belief in the intuitive relationship between quality – customer satisfaction – loyalty, as well as the efforts of Hungarian hotels to improve quality serve to underscore the importance of analytical and empirical work increasing our understanding of the importance and benefits of guest satisfaction.

It can be concluded that domestic guests are generally satisfied with the quality of services offered by Hungarian spa hotels. The message of this research is for hotel managers that the increase of guest satisfaction can be reached by the improvement of service quality. The increase of guest satisfaction as an objective obviously requires financial investment but has a lot of benefits as well. It has been demonstrated that satisfaction is closely related to their willingness to return to the hotel, so it is an essential condition of loyalty.

When service quality is increasing, not only the level of satisfaction grows but also the customer value which more closely influence the intention to return.

It can be seen that guests are willing to pay more for the high quality services. Consequently, the constant price reduction is not the only opportunity to increase the number of guest nights in Hungarian hotels. All hotels might benefit from a proactively developed loyalty program which may increase the percieved customer value with offering additional services not only with discounts.

Domestic visitors use online social media platforms for mainly gathering information before choosing a destination or accomodation, and less for sharing their experiences or evaluating services. The positive word of mouth can be observed only among satisfied guests proportionaly increasing with the level of satisfaction.

It's time to encourage hotel guests for giving feedback, because the user generated contents mean valuable market information for potential guests and service providers as well. It can help hotel managers to study the various consumer preferences from internal and external aspects of hotel attributes, so it's also recommended for each property to track them on a daily basis.

Overall, the purpose of the hotel satisfaction surveys is to inform the hotels about the guest expectations and percieved quality of the services. Hotel managers deduce the strength and weaknesses of their services and the filtered results can serve as a basis of quality improvements. This can increase the level of satisfaction, loyalty and positive eWoM, which can ensure profit and benefit in economic and market terms.

References

Anderson, E. W., Fornell, C. & Lehmann, D. R. (1994): Customer Satisfaction, Market Share, and Profitability: Findings from Sweden. *Journal of Marketing*, 58 (July), pp. 53-66.

BÁTOR A. (2007): A vevőelégedettség és a lojalitás kapcsolata a kereskedelmi bankok szférájában a lakossági piacon. PhD értekezés. Nyugat-Magyarországi Egyetem Széchenyi István Gazdasági Folyamatok Elmélete és Gyakorlata Doktori Iskola. Sopron.

Blešic, I., Tešanovic, D. & Psodoro, Đ. (2010): Consumer satisfaction and quality management in the hospitality industry in South-East Europe. African Journal of Business Management, 5 (4), pp.1388-1396.

Bohnné, K. K. (2005): Elégedett az ügyfél? (Az ügyfél – elégedettség elméleti és gyakorlati alapjai). Budapest: PublicPress Kiadó, 226 p.

Cadotte, E. R. & Turgeon, N. (1988): Dissatisfiers and satisfiers: suggestions for consumer complaints and compliments. *Journal of Consumer Satisfaction, Dissatisfaction and Complaining Behavior,* 1, pp. 74-79.

Chikán, A. (1997): Vállalatgazdaságtan, Budapest: Aula

Curchill, G. & Surprenant, C. (1982): An Investigation into the Determinants of Customer Satisfaction. *Journal of Marketing Research*, 19, pp. 491-504.

Cronin J. J. & Taylor S. A. (1992): Measuring Service Quality: A Re-examination and Extension. *Journal of Marketing*, 6 (7), pp. 55-68.

Day, R. L. (1971): Marketing Models: Quantitative Applications (The Intext series in marketing). Intext Educational Publisher, 693 p.

Edvardsson, B. – Johnson, M. D. – Gustafsson, A. – Stranvik, T. (2000): The effects of satisfaction and loyalty on profits and growth: products versus services. *Total Quality Management*, 11 (7), pp. 917-927.

Fornell, C. (1992): A national customer satisfaction barometer: The Swedish experience. *Journal of Marketing*, 56, pp: 6-21.

Gardini M. A. (1999): A vendégelégedettséggel foglalkozó menedzsment a szállodaiparban: a vendégközpontú szolgáltatások kialakítási szempontjai (Tourismus Journal – Lucius & Lucius, Stuttgart, 3 (1) pp. 5-29. In: *Szemelvények a nemzetközi idegenforgalmi szaksajtóból*, 2001/1. pp. 72-78.

Getty, J. M. & Thompson, K. N. (1994): A procedure for scaling perceptions of lodging quality. *Journal of Hospitality Research,* 18 (2), pp. 75-96.

Gremler, D. D. & Brown, S. W. (1997): Towards a conceptual model of service loyalty. *Marketing Theory and Applications,* AMA Winter Educators' Conference, Chicago, IL, pp. 218-219.

Goldsmith, R. & Horowitz, D. (2006): Measuring Motivations for Online Opinion Seeking. *Journal of Interactive Advertising*, 6 (2), pp. 1-16.

Grönholdt, L., Martensen, A. & Kristensen, K. (2000): The relationship between customer satisfaction and loyalty: cross-industry differences. *Total Quality Management*, 11 (4/5/6), pp. 509-514.

Gundersen, M. G., Heide, M. & Olsson, U. H. (1996): Hotel guest satisfaction among business travelers: What are the important factors? *Cornell Hotel and Restaurant Administration Quarterly*, 37 (2), pp. 72-81.

Halstead, D., Hartman, D. & Schmidt, S. L. (1994): Multisource Effects on the Satisfaction Formation Process, *Journal of the Academy of Marketing Science*, 22 (spring), pp. 114 –129.

Hennig-Thurau, T., Gwinner, K. P., Walsh, G. & Gremler, D. D. (2004): Electronic Word-of-Mouth via Consumer-Opinion Platforms: What Motivates Consumers to Articulate Themselves on the Internet? *Journal of Interactive Marketing*, 18 (1), pp. 38-52.

Hennig-Thurau, T. & Walsh, G. (2003): Electronic Word-of-Mouth: Motives for the Consequences of Reading Customer Articulations on the internet. *International Journal of Electronic Commerce,* 8 (2), pp. 51-74.

Hofmeister Tóth Á., Simon J. & Sajtos L. (2003): Fogyasztói elégedettség. Budapest: Alinea Kiadó, 278 p.

Howard, J. A. (1977): Consumer behavior: Application of theory. New York: McGraw-Hill

Hunt, H. K. (1977): CS/D overview and future research direction. Cambridge MA: Marketing Science Institute

Johnston, R. (1995): Exploring the relationship between perception and performance. The determinants of service quality: satisfiers and dissatisfiers. *Intenational Journal of Service Industry Management,* 6, pp. 53-71.

Kandampully, J. & Suhartanto, D. (2000): Customer loyalty in the hotel industry: the role of customer satisfaction and image. International Journal of Contemporary Hospitality Management, 12 (6), pp. 346 – 351.

Kano, N., Seraktu, N., Takahashi, F. & Tsuji, S. (1984): Attractive quality and must-be quality. *Journal of the Japanese Society for Quality Control,* 14 (2), pp. 39–48.

Kourilsky, M. & Murray, T. (1981): The Use of Economic Reasoning to Increase Satisfaction with Family Decision Making. *Journal of Consumer Research*, 8 (September), pp. 183-188.

Kwon, J. M., Bae, J-I. & Phelan, K. (2011): Online Consumer Herding Behaviors in the Hotel Industry. http://42explore.com/story.htm

Meffert, H. & Bruhn, M. (1981): Beschwerdeverhalten und Zufriedenhiet von Konsumenten. In: *Die Betriebswirtschaft*, 41 (4).

Mittal, V., Kumar, P. & Tsiros, M. (1999): Attribute-level Performance, Satisfaction, and Behavioral Intentions over Time: A Consumption-System Approach. *Journal of Marketing,* 63 (2) pp. 88-101.

Muffatto, M. & Panizzolo, R. (1995): A process-based view for customer satisfaction. *International Journal of Quality & Reliability Management*, 12 (9), pp.154 – 169.

Oliver R. L. (1993): A Conceptual Model of Service Quality and Service Satisfaction: Compatible Goals, Different Concepts. *Service Marketing Management*, 2, pp. 65-85.

Oliver, R. L. & Swann, J. E. (1989): Consumer Perceptions of Intepersonal Equity and Satisfaction in Transactions: A Field Survey Approach. *Journal of Marketing*, 53 (April), pp. 21-35.

Peterson, A. R. & Wilson, W.R: Measuring Customer Satisfaction-Fact and Antifact, Journal of the Academy of Marketing Science, 20 (Winter), pp. 61-71.

Reichheld, F. R. & Sasser, Jr. W. E. (1990): Zero Defections: Quality Comes from Services. *Harvard Business Review*, 73 (September –October), pp: 105-111.

Reichheld, F. F. & Teal, T. (1996): The Loyalty Effect, Boston: Harvard Business School Press.

Schmidt-Azert, L. & Ströhm, W. (1983): Ein Beitrag zur Taxonomie der Emotionsörter. *Psychologische Beitrage*, 25, pp. 126-141.

Schütze, R. (1992): Kundenzufriedenheit. Wiesbaden: Gabler

Selnes, F. (1993): An Examination of the Effect of Product Performance on Brand Reputation, Satisfaction and Loyalty. European Journal of Marketing, 27 (9), pp. 19-35.

Sharma, A., Grewal, D. & Levy, M. (1995): The Customer Satisfaction/Logistics Interface. Journal of Business Logistics, 16, (2), pp. 1-21.

Smith, A. K., Bolton, R. N. & Wagner, J. (1999): A Model of Customer Satisfaction with Service Encounters Involving Failure and Recovery. Journal of Marketing Research, 36 (August), pp. 356-372.

Spinelli, M. A. & Cannavos, G. C. (2000): Investigating the relationship between employee satisfaction and guest satisfaction. Cornell Hotel and Restaurant Administration Quarterly 41, pp. 29–33.

Spreng, R. A., Mackenzie, S. B. & Olshavsky, R. W. (1996): A reexamination of the determinants of consumer satisfaction. Journal of Marketing, 60 (3), pp. 15- 32.

Sung, R. – Chiu, C. – Hsieh, P. – Chou, H. (2011): The Analysis of Hotel Customer Generated Contents in Weblogs. 2011 International

Conference on Financial Management and Economics. IPEDR vol.11. pp. 150-154. IACSIT Press, Singapore

Szántó Sz. (2003): Fogyasztói elégedettség az elmélet és a gyakorlat szempontjából. *Marketing & Management*, (5), pp. 26-41.

Töpfer, A. (1999): Customer satisfaction measure and increase. (2nd edition) Germany: Luchterhand

Tse, D. K. & Wilson, P. C. (1988): Models of Consumer satisfaction: An extension. *Journal of Marketing Research*, 25 (4), pp. 204-212.

Ulich, D. & Mayring, P. (1992): Psychologie der Emotionen. Stuttgart: Kohlhammer

Veres Z. (1998): Szolgáltatásmarketing. Budapest: Műszaki Könyvkiadó, 344 p.

Vollmer, I., Johnston, M., Herrmann, A. & Huber, F. (2000): The Loyalty of Dissatisfied Customers: Determinants and Implications. XXV Annual Colloquium on Research in Economic Psychology and SABE 2000 Conference, Baden, Vienna/Austria

Westbrook, R. A. (1980): A Rating Scale for Measuring Product/Service Satisfaction. Journal of Marketing, 44 (Fall), pp. 68-72.

Yi, Y. (1990): A critical review of consumer satisfaction. In: Zeithaml, V. A. (ed.): Review of marketing. Chicago: American Marketing Association, pp. 68-123.

Yi, Y. (1993): The Determinants of Consumer Satisfaction: the Moderating Role of ambiguity. in NA - Advances in Consumer Research Volume 20, eds. Leigh McAlister and Michael L. Rothschild, Provo, UT: Association for Consumer Research, pp: 502-506.

Yüksel, A. & Yüksel, F. (2001): The Expectancy-Disconfirmation Paradigm: A Critique. Journal of Hospitality &Touris Research, 25 (2), pp: 107-131.

Zeithaml V. A. (2000): Service Quality, Profitability, and the Economic Worth of Customers: What We Know and What We Need to Learn. *Journal of the Academy of Marketing Science*, 28 (1), pp. 67-85.

SURVEY OF FANS HABITS AT TWO GAMES OF THE 2013 MEN'S HANDBALL WORLD CHAMPIOSHIP IN MADRID

Peter Vaczi

College of Eszterházy

Abstract: I have done a survey at the World's Men Handball Championship 2013 in Madrid during two games of the Hungarian team among the Hungarian's and the opponent's fans. I was curious about how are the fans, who are coming to the World Championship, are behaving in this enviroment. I was also interested how strong bonds they have with the handball as a sport and what are their financial budget for this global event. At last I compared the number of the sport fans visiting the stadiums in Madrid in 2013 and in Gothenburg in 2011.

Keywords: handball, worldchampionship, sport turism, fans

Prelude

By sports tourism, we mean all those journeys that took place in which performing or simply watching sports were the primary motivation. Sports-recreational tourism is regarded as an active type of tourism (for example: fishing, water sports, horseback-riding, etcetera…). The Hungarian Tourism PLC utilizes the term "active tourism" to express all recreational-free time motivated holidays in its professional materials and recommendations. Active tourism is a form of tourism where the motivation of the travelers is to do any kind of physical activity such as skiing, biking, natural water sports, or golf. These sporting events have become increasingly popular due to the fact that people lately have been choosing to follow a healthier lifestyle.

People who are living an active lifestyle are participating regularly in sport events (like Iron man, Olympic games…) as professional or amateur athletes. These people look at sports as a way of living, which comes with competitions, and races both at a national and international level. The duration of these events are usually a few days, so those who participate and their families make up a big percentage of sports tourists. So, we put participating in sport events (active tourism) and people watching or supporting them (passive tourism) in this category in the first place.

Here, we can mention other definitions, concerning passive participants of sport events as sports tourists as it follows: "Sports tourism refers to all travels done in the purpose of which is not trading but performing or observing sports events in a domicile which is different than their home environment". (*Hall C.M.* 1992)." Sports tourism refers to the people who have traveled from their permanent living habitat to take part in sports, competitions or recreational activities, as well as event sport tourism; referring to traveling in the purpose of watching a sport event; and nostalgia sport tourism; referring to visits done to sports museums, famous sports venues, and sports themed cruises." (*Hudson, S.*, 2003) "Holiday activities include sports activities – pursuing or watching sport" (*Weed, M., Bull, C.* 1997). *Hich* and *Higham* (2001) believe that racing has become a big trend, from recreation sports to professional competitions. So both professional and amateur competitions and events are becoming more and more important as complex touristic products. Gibson (1998.,2006) differentiate tourists into two groups as well – active and passive sports tourists –, while *Robinson* and *Gammon* (2004.) separated them into groups according to primary and secondary motivations.

There are several specialized literature (*Müller* 2001; *Könyves-Müller* 2001; *Bánhidi* 2007; *Dobay* 2006; *Halassy* 2007) researching studies about active tourism, and its potentials. *Müller* (2001.) is writing about the opportunities and favorable circumstances, and also emphasizes that these elements should be displayed in the tourism product development. Another dominant segment of sport tourism is sport events, in which we can participate passively, cheer for your favorite team or actively as an athlete. In this article, I will present and examine this area. In Europe, primarily football matches, in America basketball games are getting most of the attention because it is directly or indirectly in the site of many people who are interested in it. During watching football matches people pay for watching others doing sports. Nowadays professional athletes perform and the resulting served interfere with the basic or core service beyond the so-called additional services that are included. The subject of the exchange is spending free time in a form where the use of the service is typically some kind of experience, coupled with entertainment. The value of the product determines the quality of the sales channel. In the case of on-site service, the quantity depends on possibilities offered by the stadium, and through media, it depends on media as a transforming element. (*Andras* 2003) Wide literary background of the football and business elements research is known. Research in the field of other team sports (handball, basketball, water polo, hockey) do not form such a complete system. The uses of sports consumption trends, knowledge of consumer behavior and marketing mix elements are essential (*Muller* 2009), since they contribute in the field of sports and leisure economy, multinational companies, and the success of businesses. One of these trends in Europe is in addition to Football, handball popularity is increasing. For handball matches, fans are also willing to travel long distances. In the article, my aim is to map and describe consumer behavior of the fans of handball matches. I made a survey at two matches, Hungary-Australia and Hungary-Croatia, especially with the Hungarian fans, but ten Australian and five Croatian fans also filled out the survey. The majority of survey respondents were between the ages of 30 and 50.

The research method

I have done a survey (n = 192 people), which focus was to study the fans' touristical habits and their relationship to handball as a sport. The survey included eleven questions. Hereinafter I will list the most importent findings by topic.

Results

At one of my most importnat questions I was curious about that how often the fans are attending sport events every year.

Table 1. How often do you attend sport events?

	Respondents (number)	Respondents (%)
Once/Twice a year	60	31,3
Every month	54	28,1
Weekly or more often	78	40,6
Summary	192	100,0

As you can see in the table 40,6% of the respondents are attending sport events weekly or even more often. 28,1% of the respondents are monthly, while 31,3% of them only attend once or twice a year any sort of sport event. From these answers it can be stated that two third of the attendes at the handball world championship in Madrid are visiting sport events regularly.

With my next question I focused on revealing how often these fans are following handball games in live.

Table 2: *How often do you attend at handball games?*

	Respondents (number)	Respondents (%)
Once/Twice a year	57	29,7
Monthly	48	25,0
Weekly or more often	72	37,5
Whenever my favourite team plays	15	7,8
Summary	192	100,0

Compared to the previous table's results there's not a big difference between the proportions. The number of fans who are attending sport events once or twice a year decreased just at a very smal rate. As we can see from the results, most of the fans on the site are specifically visiting handball games out of all sport events.

In my next question I was interested that how many games did the ateendes had tickets for during th championship.

Table 3. How many games you have a ticket for during the World Championship in Madrid?

	Respondents (number)	Respondents (%)
1	21	10,9
2-5	150	78,1
Purchased tickets for after group matches	21	10,9
Summary	192	100,0

As we can see from the numbers, a high percentage of the attendees purchased more than tickets during the group stage. There's a really small number of fans who held only one ticket or bought tickets to the play-off rounds. This can be explained with pre-planning, since the set up of the groups was already public a few months before therefor it was easy to arrange the accomodations and travel plans. Besides that we can't avoid the fact that the championship haven't been even close to be sold out so it was relatively easy to purchase tickets to the later rounds.

In my next question I was researching how many nights did the fans spent in Madrid.

Table 4. How many nights you spend in

	Respondents (number)	Respondents (%)
1	6	3,1
2-5	123	64,1
More than 5 nights	63	32,8
Summary	192	100,0

We can come to the conclusion that the number of fans who precisely arrived for only one game to Madrid is really low. Following the previous table we can see it here also that most of the visitors spend two to five nights in the city to visit the preplanned group games. But the number of people who are staying for more than 5 nights are not irrelevant either.

Finally as the conclusion of the tables before, I was interested of how much is the budget of these fans.

Table 5. What is your financial budger for your stay at the World Championship all in all?

	Respondents (number)	Respondenst (%)
100-200 euros	3	1,6
200-300 euros	9	4,7
300-500 euros	45	23,4
More than 500 euros	135	70,3
Summary	192	100,0

As we can see from the table, more than 90% of the atendees are planning their visit with a budget over than 300 euros for the world championship. Since the fans filled out their surveys individually these budgets are for per person. I believe we can sum up from these numbers that the visitors of the world championship came with a big budget. It's seems like they planned their visit well ahead of the championship in their personal calendar.

Number of visitors

Depending on my personal experpienses that I gained at the world championship I need to make the statement that regardless the low ticket prices it wasn't a good experience to see that only one or two thousands of fans were wondering around in the stadium that accomodate more than ten thousand attendees. Maybe it would have been a good idea to include more smaller stadium, just as it was at the world championship in Sweeden, since even the host Spain's group games never filled up the stadium. Even so that some of the games (such as the ones against the Hungarian and Croatian teams) were almost sold out, thanks to the fact that the organizers invited elementary school students and members of the youth team.

Table 6. Comparision of the average supporters figures.

	2011 Göteborg	2013 Madrid
Average number of visitors at the host team's group games	6596	4126

Summary

I believe that after studying my research we can come to the conclusion that most of the fans who were attending at the world championship are also visiting games at their home town too. Furthermore we can see that the handball games are one of those events that the respondets are visiting regularly. Since the tickets went on sale relatively early for the world championshop we can state that the attendees had the time to set up their budget which can be seen from the fact that most of them haven't just spent only one night in the Spanish captiol.

After closely studying the number of visitors during the host country's group games, it has been found that there were a much higher number of fans at the 2011 world championship in Sweeden. The reason for this could be the fact that the handbell is a highly popular sport in Sweden and also that the Sweedish championship was functioning as a qualification round for the 2012 Olympic Games, whilst the Spanish championship didn't give qualification to any other further games. Even so we need to applaud the Spanish organizers for the fact that they took on the challenge of this championship and they could organizer an almost sold out stadium for the host team's games which had its final result since the Spanish team brought home the title of World Champion.

References

Hall, C.M. (1992): Hallmark tourist events: impacts, management and planning. Belhaven Press.

Hudson, S. (2003): Sport and Adventure tourism. The Haworth Hospitality Press. USA. (http://www.google.hu/books?hl=hu&lr=&id=1vVtyaA77YsC&oi=fnd&pg=PR3&dq=Hudson,+S.,+2003+sport+tourism&ots=7LmV3Y_Dek&sig=OnpoU2RJ8WanRcpozFCMFrzfJWs&redir_esc=y#v=onepage&q&f=false)

Weed, M. & Bull, C. (1997): Influences on sport tourism relations in Britain: the effects of government policy. Tourism Recreation research, 22.(2), 5-12.

H., Gibson (1998): Sport tourism: A critical analysis of research.In: Sport Management Review, 1 (1998), pp. 45–76

András Krisztina (2003): Üzleti elemek a sportban, a labdarúgás példáján. PhD értekezés. Budapesti Közgazdaságtudományi és Államigazgatási Egyetem. Bp. 2003. 42-46.p.

Müller Anetta (2001): A sportturizmus jelentősége Jász-Nagykun-Szolnok Megye Turisztikai termékfejlesztésében. Tudományos Közlemények V., 86–90 Szolnoki Tudományos Napok. Városháza, Szolnok, Magyarország, 2001.11.08–2001.11.09.

H. Gibson (Ed.) (2006): Sport tourism: Concepts and theories, Routledge, London

T. Robinson S. & Gammon (2004): A question of primary and secondary motives: Revisiting and applying the sport tourism framework. In: Journal of Sport Tourism, 9 (3) (2004), pp. 221–223

Hinch & Higham (2001): Sport tourism: a Framework for research. In: International Journal of tourism research. 3., 45-58.p.

Bánhidi M & Dobay BG (2007): Sporttudomány és turizmus, Magyar Sporttudományi Szemle, 30. évfolyam, 2. szám, 32-38 o. ISSN 1586– 5428

Bánhidi M, Dobay BG., Starhon K. & Edvi L. (2006): Kutatási programok a földrajzi környezet és sport összefüggéseinek megismeréséhez. Napjaink környezeti problémái - globálistól lokálisig Pannon Egyetem, Georgikon Kar, Keszthely

Dobay & Strahon (2006): Szlovákia sportturisztikai adottságai oktatási intézmények számára. Medzinárodná konferencia DIDMATTECH 2006 – Komárno 2007, (324 – 330), ISBN 978-80-89234-23-3

Halassy Emőke (2007): A magyar lakosság nemzeti parkokkal, természetjárással és lovasturizmussal kapcsolatos attitűdjei, utazási szokásai és utazási tervei 2006-ban. Turizmus Bulletin. 1–2. pp. 33–43.

Könyves Erika & Müller Anetta (2001): Szabadidős programok a falusi turizmusban. Szaktudás Kiadó Ház rt. Bp.185.p.

Müller Anetta (2009): A legújabb trendek a sportmarketing és menedszment területén. In. Sportszakember továbbképzési konferencia sorozat. nemzeti Sportszövetség. 69-72.p.

Internet: Milliárdos üzlet a sportturizmus http://www.origo.hu/utazas/20070304milliardos.html 2013.09.02

2011 World Men's Handball Championship http://en.wikipedia.org/wiki/2011_World_Men's_Handball_Championship 2013.08.20

2013 World Men's Handball Championship http://en.wikipedia.org/wiki/2013_World_Men's_Handball_Championship 2013.08.20

INTERNATIONAL PASSANGER SURVEY AT THE AIRPORT DEBRECEN – MAIN CHARACTERISTICS OF DEPARTURE VISITORS FROM AD

Brigitta Palatinus

University of Debrecen, Faculty of Economics and Business

Abstract: The main reason of the research is to make a survey of the habits of foreign visitors arriving in Debrecen by air and their satisfaction. What was experienced in 2013 regarding low foreign proportion is also noticable in 2014. In the examined two months, of the whole passenger traffic between London and Debrecen only 10-15% is tourism by foreign visitors. There was not any information before about consumption of tourists arriving in Debrecen by air. In the course of my research I was examining the main elements of consumptions. From the gathered infromation from the questionaires it can be ascertained that on many occasions service providers failed to accomplish satisfying levels, quality. Underachievement occured and the experience of the visitors was worse than their expectations. This gives reasons for the indicators detailed analysis. The results of the satisfaction test might be an essential basis to further develop the city's tourist products and services in the future. Personal experience of either visitors satisfaction or dissatisfaction, gets stored as a memory which influences future decisions on travelling. Because of this the city has to make an effort to provide higher standards of quality to people travelling into Debrecen by air from the first moment of arrival till the last moment of departure and leave satisffied.

Keywords: visitor, airport, satisfaction**,** expection, questionnaire

Introduction

Nowdays in the business world quality has been raised. It is also true in the field of tourism, where the visitors expect value, therefore the quality of service influences satisfaction.

There are scheduled flights between Debrecen and London since June, 2012. Due to this the passenger traffic and number of foreign visitors to Debrecen increased. The personal experience of visitors, their satisfaction or dissatisfaction are stored as memories, which will effect their future decision making, regarding travel. The number of traffic passengers at Debrecen Airport has shown an increasing tendency in the last two years, thanks to the scheduled flights of Wizz Air. The first table presents the passengers traffic data of 2012 and 2013. On the basis of the passengers traffic data it is quite obvious that the number of passengers has increased by leaps and bounds after one month. The chart contains the number of low cost airlines, summer chartered flights and other small aeroplanes as well. By the end of 2013 the anual passenger number almost reached 130 000 people. According to *Veres* and *Co.* (2011) an airport's appearance greatly emphasises the kind of picture visitors form about the quality of the visited area, as both the first and last impression of the city is connected to the airport.

Furthermore kind service, prompt organisation, attention and the airport's quality contribute whether the traveller will return to the destination or recommend it to others.

The main reason of my research is to make a survey of the services that are taken by foreign visitors arriving and departuring in Debrecen, and their satisfaction regarding these services. The continuation of research from the information

Table 1. The traffic passengers of Debrecen Airport in 2012-2013 (person/month)

	I.	II.	III.	IV.	V.	VI.	VII.	VIII.	IX.	X.	XI.	XII.	Total
2012	33	36	52	355	857	4 660	9 960	10 470	7 347	4019	3862	6095	47 746
2013	7768	7050	8381	11 471	12 008	12 401	17 429	16 624	11 962	9075	7639	7340	129 231

Source: Author, on the basis of Debrecen Airport data gathered from the questionnaires is a continuous development, which outlines the services used by foreign visitors, lightens up the problematic fields and guides to solve or reorganise these problematic areas in order to increase visitors satisfaction. Researches prove that strong relationships exist between the quality of services and purpose of the customer. The quality of services make a direct or / and indirect impact on customer willingness via customer satisfaction. (*Zeithaml et al.* 1996; *Cronin et al.* 2000)

In this present study I am introducing the result of the questionnaires collected during a two month period, following the test period of January 2014, regarding the character of visitors. This contains the main character of foreign visitors departuring from the city by plane, such as the division of travelling motivation, individual or organised tourism, have they been to Debrecen previously, if yes how many times, number of nights spent in the city, type of accomodation during their stay etc. Among the surveys, the prime result of visitor satisfaction will also be stated concerning services taken up during their stay in the city that accounts for further, deeper and more detailed study of the forthcoming period. 84 people were questioned. Concerning that the main aim of the research was to examine how they pass their time in the city, the data survey among foreing visitors was done in the English language. I only demonstrate the results of the first quarter of 2014 in this study. The whole research lasts until September.

Material and method

The purpose of the resarch is to gather infromation about the characters of foreign visitors arriving to the city by aeroplane, departuring from the Airport Debrecen and about their satisfaction regarding the services chosen during their stay. The questions of the applied questionnaires contain open ended, multiple-choice and evaluative questions. The satisfaction and opinions of the the questioned ones are evaluated on 5 point value scale. The value scale gives possibilities for comparative examinations (*Babbie* 2003). The application of five level intensity scale serves the purpose most likely, because there is no appreciation possibility from multiple level evaluation either. Evalution by points is an ordinal method, which gives precedence and this according to *Tomcsányi* (2000) is the mostly used classification system. Researchers generally use scale-technics to judge the quality of tourist related services, therefore it provides possibilities in the future to rank services and compare competitors (*Pénzes* 2001). The place of primer questionaire survey was the waiting room of Debrecen Airport, with the authorisation of the airport's managment, in compliance with safety regulations. The fundamental condition of questioning was the border crossing permission, issued by the frontier guards. In this present study, I give an outline of the main characteristics of the visitors filled out in the questionnaire during the two months – February and March – following the testing month, without the need of fullness, which will connect to the detailed satisfaction research.

Range of analysed persons

The range of analised persons are foreign nationalites, who spend some days in the city, arrived by plane to the city and departured from AD. From this point of view Hungarian, Romanian, Ukranian and Slovakian citizens are excluded from the traffic passenger datas, as they just pass through the city, and reach their destination through the airport. Despite this, it was not possible to exclude transit passengers completely, as it sometimes occured that the final destination of the British citizen's visitor was not Debrecen.

The questioning I did personally, the ticket controller staff helped me indentify the relevant foreign visitors. Identification happend via the name on the ticket, passport and English communication. Unfortunately, it was not possible to ask every foreign visitor to fill out the questionnaire. One of the barriers is the available time limit, that the survey is fixed to be done in a certain time of the day. Passangers, who arrive at the airport's waiting room before the departure of the aeroplane after the safety checking, could not answer my questions. Furthermore, there is no possibility to carry out the survey on all flights in one month.There is no chance of asking the whole range of target passengers with questionnaires, as there is neither sufficient time or money nor enough processing capabilities available. According to the theory of taking statistic samples, if the right samples are chosen, there is no need to ask the whole, it is enough to ask a fragment of the whole to obtain accurate datas concerning the whole. Correct sampling means that all members of the whole has the same chance to fall into the sample, that is the questioned persons have to be chosen randomly. Samples chosen in this manner are called representative samples (*Andorka* 2006).

The problem that occured during settling the sample, is that there are no data about the combination of passengers citizenships between Debrecen – Eindhoven flights. This deficiency is not the only problem in my research. According to *Kovács* (2012) since the termination of border crossings within the EU, due to the fact that the determination of tourist traffic volume is based on estamination, these datas reliability are limited and are not suitable for measuring tourist traffic, especially for leaving domestic tourism out of consideration. In terms of this survey domestic tourism is irrelevant. Due to the above mentioned problem, I limited the research to the London–Debrecen route, where thanks to passport control, the composition of citizens is definable by the quarterly Central Statistic Bureau data. Apart from the combination of passenger traffic nationalities, there was no other information available. No data about the demographical combination, therefore could not use quota sampling. In 2005 a similar kind of survey was carried out at Budapest 2B airport, departure lounge. The primer research involved tourists travelling by budget air lines. The number of questioned passengers were 414, the datasurvey took place in April, 2005. (*Mundruczné* 2005). The published study, did not make it clear that from how many passengers were the 414 people chosen, or how many flights were involved? *Gilyán* (2008) among other things finds airpassenger traffic advantageous because there

Table 2. Composition of departing and arriving passengers according to citizens nationality in 2013, Debrecen – Luton

	Departing (person)					Arriving (person)				
	I.	**II.**	**III.**	**IV.**	∑	**I.**	**II.**	**III.**	**IV.**	∑
Departing	**5495**	**9762**	**15048**	**7407**	**37712**	**5085**	**8872**	**15070**	**7349**	**36376**
Hungarian	4177	7366	11562	5921	29026	4147	6506	11327	5726	27706
Romanian	1212	2124	3211	1416	7963	762	2090	3439	1542	7833
Slovakian	87	234	246	40	607	132	262	272	57	723
Ukranian	19	38	29	30	116	44	14	32	24	114
Arriving	**696**	**1385**	**1815**	**1035**	**4931**	**747**	**1486**	**1899**	**1033**	**5165**
British	519	1050	1412	796	3777	574	1121	1435	793	3923
Other*	177	335	403	239	1154	173	365	464	240	1242
Total	6191	11147	16863	8442	42643	5832	10358	16969	8382	41541

Source: Author, based on Central Statistic Bureau data
*Other nationalities: French, Greek, Irish, Icelandic, Swedish, Izraeli, Nepalese, Ghanaian and others

Table 3. Composition of departing and arriving passengers according to citizens nationality in 2014, Debrecen – Luton

	February (person)				March (person)			
	Departing		Arriving		Departing		Arriving	
Departs	**2200**	**88,78%**	**1977**	**84,13%**	**2434**	**89,65%**	**2202**	**87,66%**
Hungarian	1750	70,62%	1631	69,40%	1918	70,64%	1754	69,82%
Romanian	429	17,31%	334	14,21%	507	18,67%	411	16,36%
Slovakian	17	0,69%	10	0,43%	7	0,26%	30	1,19%
Ukranian	4	0,16%	2	0,09%	2	0,07%	7	0,28%
Arrivals	**278**	**11,22%**	**373**	**15,87%**	**281**	**10,35%**	**310**	**12,34%**
British	207	8,35%	289	12,30%	209	7,70%	230	9,16%
Others*	71	2,87	84	3,57%	72	2,65%	80	3,18%
Total	**2478**	**100%**	**2350**	**100%**	**2715**	**100%**	**2512**	**100%**

Source: Author, based on Central Statistic Bureau datas
*Other nationalities: French, Greek, Irish, Icelandic, Swedish, Izraeli, Nepalese, Ghanaian and others

are no commuter or transit traffic along the border. In my case, the opposite appeared, as in 2013, the commuter and frontier traffic describes the whole passenger number (85-90%).

Foreign visitors to the city, whose purpose is tourism, in the last few years is only 10-15% of the entire passenger traffic between Debrecen-London. Concerning passenger traffic in the surveyed two months in 2014, the *3rd table* contains the composition of citizens by nationaities.

The observed low foreign proportion in 2013 is also noticable in 2014. In the inspected two months, foreign visitors to the city whose purpose is tourism, is only 10-15% of the whole passanger traffic between Debrecen–London.

Introduction of the applied questionaires

The questionnaires prepared and applied since January can be diveded into two parts. The first part contains questions about the travelling characteristics of travellers. There are eleven questions in total in this part, open and close questions. It is important to highlight travelling motivation, that determines the range of services used, as they differ between a sightseeing tourist and those who come to the city on business and to attend conferences.

In the second part of the questionnaire the satisfaction of visitor measuring takes place concerning service progression taken. According to *Morvay* and *Daruka* (2009), regarding tourist services, the consciousness of risk is high for both the consumer and supplier as the services during utilization progress are not fixable, unrepeatable. Therefore the desired result, i.e hitting visitor's satisfaction is a much harder task with services than in the case of physical materials. On the basis of *Kenesi* and *Kolos'* (2007) defenition, the basic difference between services and physical products, that services cannot be held in hands, that is we are not talking about objects, but performance, progression and action. I divided satisfaction into eight dimensions that each represent one service: airport services, transport, accommodation, eating, entertainment, medical services, conference attendance, sport. Each of the eight dimensions can be written down with indicators. According to *Hofmeister* et. al (2003) dimension is such a variable, which can be written down with many, actual, measurable indicators. The sum of these indicators gives the stating set, which are rated by the selected value scale among the questioned ones. For example, the dimension developed for qualifying accommodation services contains such indicators as room facilities, language knowledge and so on. Philip Kotler composed satisfaction as:'satisfaction is a persons happiness or dissapointment that derives from facing comparison during waiting time and what accomplishment perceived when choosing a product. A consumer is satisfied when the product serves his or her expectations, a consumer is very satisfied when the product exceeds his or her expectations and a consumer is dissatisfied when the product does not match its previous expectations. 'Its perceptible from the definition that apart from satisfiction, expectation is important which leads to satisfaction. Therefore I used two types of surveying tools. The first one serves the satisfaction of visitors with the indicator of taken services. *Hofmeister et al.* (2003) defines satisfaction as a function of expectation, which alters either positive or negative by detecting quality, having expectations proved. The second applied measuring scale is for measuring service expectation.

The survey of visitors satisfaction makes it possible, that there are more evaluative questions among the others, since satisfaction of different services are well evaluated by using scale technics. As I do not have previous information and there were not any surveys taken at the airport by questionnaires beforhand, it is not sure that the dimensions used by me contain all services that visitors take, neither lacking services. Therefore, after all dimensions indicators, by using open questions there is possibility for the questioned ones to express their opinion, demand.

Main conclusions of testing the questionnaire

I carried out the testing of questionaires in January 2014. There were a total of sixteen flights between London and Luton in January, passengers of seven flights were surveyed. The questioning I did personally. All together twenty-three people were involved in testing. Out of twenty-three, five were invaluable and eighteen valuable. *4th table* demonstrates the departing passangers traffic's composition by nationalities in January 2014.

As can be seen from 4th table, the proportion of relevant foreign visitors – British and other nationalities – are low. Of the whole passenger traffic, only 8.76%, 244 people forms the whole population. This number differs, its about 4-14 persons per flight. Questioning tied me to a time limit, I had about 45 minutes per flight to carry out data collecting. The ticket validating staff helped me recognise the foreigners, name on the ticket, passport and communication in English helped me identify them. Unfortunately, it is not possible to recognize all foreign visitors during the data collection, furthermore due to limited time, it was not possible to fill out all questionnaires. 23 questionnaires were filled out in January, 4 visitors refused to fill it out and there was no opportunity to ask the other 12 travellers.

The filled out and valuable eighteen questionnaires were filled out by 8 women and 10 men. Regarding nationalities there were 13 people from the United Kingdom, 1 Irish, 2 Italian and 2 Japanese nationalities. There are various answers to the questions: 'What nationality…?' from Great Britain, such as: British, English, African English, Great Britain or UK. During processing I handled these the same, as one nationality. Emerging question is the Hungarian and British nationality. It occured that the chosen visitor had British passport but Hungarian nationality. There were two such cases in January and due to their Hungarian nationality they were not willing to cooperate in completing the questionnaire. Considering the motivation, 7 people stated private trip, 5 people medical trip (dental care), 1 person business trip and 5 people arrived to study into Debrecen.

Table 4. Composition of departing traffic passengers by nationalities (January 2014)

	January (pers)	%
Departures	**2541**	**91,24%**
Hungarian	1609	57,77%
Romanina	915	32,85%
Ukranian	10	0,36%
Slovakian	7	0,25%
Arrivals	**244**	**8,76%**
British	198	7,11%
Others*	46	1,65%
Total	**2785**	**100%**

Source: Author, based on Central Statistic Bureau data
* Other nationalities: French, Greek, Irish, Icelandic, Swedish, Izraeli, Nepalese, Ghanaian and others

It becomes clear from the questionnaires, that on many occasions the services are not up to their standards and are 'worse' than expected. Therefore it is important that we analyze the services in more detail and find out what indicator caused visitors dissatisfaction. In most cases the used services did not cause lasting experience, but it was up to satisfaction. To eliminate unvaluable questionnaires I corrected the grammatical errors, as well as added further explanations to the forms filling instructions.

Main conclusions of the survey taken in February and March

The study introduces the main results of the data survey in February and March in the result section. During the two months 17 flights were involved in the survey. Precisely, in February 9 flights out of 16 flights and in March 8 out of 18 flights were involved in the datasurvey. Althogether 84 questionnaires were filled out, of which 7 were useless and

77 useful. A further 50 foreign visitors were unable to be questioned, as they only arrived to the waiting lounge a few minutes prior to departure. 7 people were not willing to fill out the forms. 3 out of 7 had British nationality but Hungarians, so referring to their nationality they did not want to take part in a survey concerning foreigners. In March 2 people were stopped who already filled out the forms in January or February. In February 1 person said that he filled out the form during the testing period in January. Therefore they did not fill out the questionnaire either. Altogether 147 foreign visitors were recognised during the two months and a further 15 childeren or baby visitors.

The distribution of nationalities are showed on Figure 1 of the foreign tourists who were asked during the survey. 73% of the answering tourists are British nationalities, 5% Izraeli, 4% Italian, 3% Swedish, 2% Icelandic, and a further 13% are other nationalities like Irish, Brazilian, Australian, Chinese, Ghanian, Dutch, Maltese, Nepalese, Polish, Portuguese and other. It is obvious that the largest proportion are British. 88.32% of visitors are from Europe, but other nationalities outside Europe appear too, such as Nepal, Australia or Brazil.

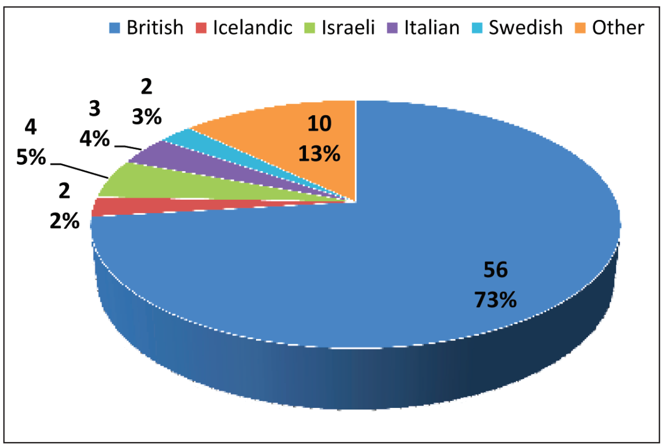


Figure 1. Distribution of nationalities (person, %)
Source: results of author's research

Concerning people aged between 18-30 represents the highest portion with 44,2% (34 people), followed by 16,9% people between 31-40, than equally 13% (10-10 people) aged 41-50 and 51-60, and finally people over 60. The portion of women in the sample is 39%, that is 30 people and 61% i.e. 47 people are male.

Figure 2 demonstrates the distribution of travelling purpose. On the basis of the completed questionnaires, the most common reason of travelling among foreign toursits between London-Luton and Debrecen is 'private journey', which was marked by 26 people. This group is formed by parents, friends who come to visit someone studying at the University of Debrecen. The next portion of travelling motivation was business journey with 20 people. The third portion 16,88% was the group of students in Debrecen. Realisticly high portion, 12,99% the group arriving to Debrecen for medical treatments. Of these,10 people came for dental treatment. Under 'other reasons' people mentioned; charity work, travelling further to Romania. The lowest portion was 1,30% sightseeing, sport and leasure activities. Both activities were mentioned by only 1 person.

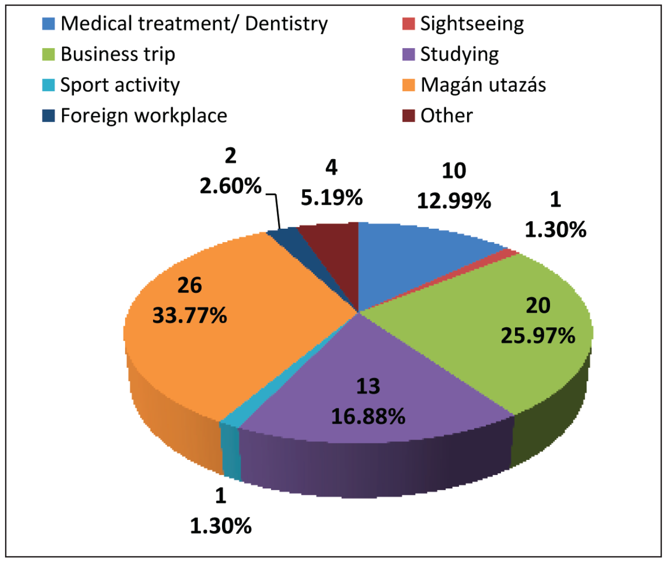


Figure 2. Distribution of travelling purpose (person, %)
Source: results of author's research

Having examined travelling habits, figure 3 shows how often the questioned ones travel abroad yearly. The majority of visitors, 42,9% travel abroad 1-2 occasions a year. This followed by the portion who travel abroad minimum once a month, this is 28 people i.e. 36,4%. One person marked that he travels abroad weekly and a further 15 people that they travel yearly 4-6 times. Following this the biggest portion is visitors who travel abroad at least once a month, this is 28 people i.e. 36,4%. One person marked to travel abroad weekly and a further 15 people 4-6 times a year. Nobody chose the option to travel rarer or more frequently than indicated or neither chose the 'other' category.

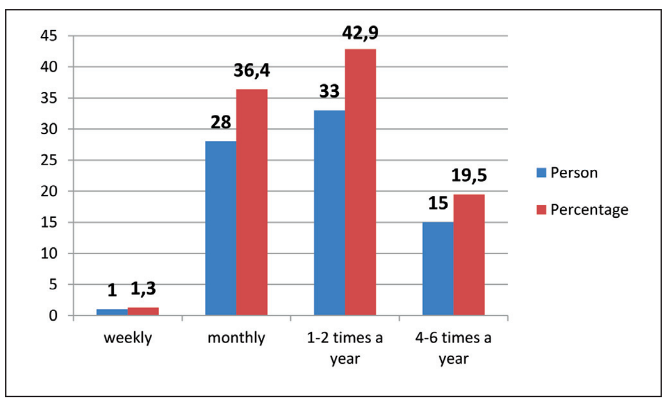


Figure 3. Distribution of travelling frequency (person, %)
Source: results of author's research

Regarding the question how many times had they been to Debrecen, out of the people, precisely 25, answered first time which is 32.5% of the sample. Following this the biggest portion 27.5%, 21 people said that they have payed a visit on 2-3 occasions. 24.7% of the questioned people considered themselves regular visitors, the remaining 15.6% i.e 12 people have travelled more than 4 times to Debrecen. I think it is a very interesting result that those who have been in the city more than once, almost 60%, have been in the city more than 4 times. (31 people out of 52)

Concerning the question that made them choose Debrecen is demonstrated on Figure 4. The majority, 47% answered 'other' among the choices. Most of the time the decison was based on the prime location of the airport, which is close to Romania, Oradea. Further reasons for choosing Debrecen among 'other' categories is visiting an acquaintance who is taking part in Erasmus programme or because of the Medical University's or Dentistry's advertisment. The following large segment contains visitors who were invited to Debrecen by acquaintances, or an acquaintance recomended the city. Only 2 people used the services of travel agencies and had been influenced by their recommendation.

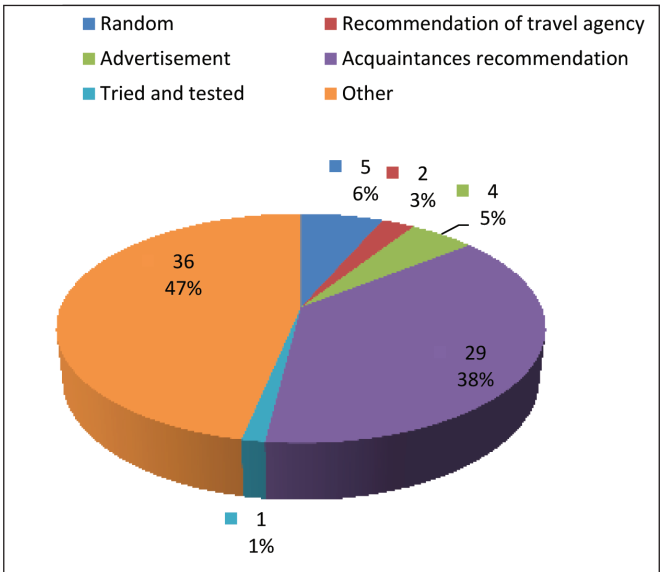


Figure 4. Distribution of decision determinants (person, %)
Source: results of author's research

97.4% of the questioned ones organised their trip individually and only 2 people (2.6%) travelled via organised tour. Analysing the type of travelling 36.4% of the people arrived alone in Debrecen and 27.7% with their family. Further 11 people, i.e 14.3% arrived with a friend. 18.2% arrived to Debrecen with a collegue, precisely 14 people. Finally 5 people came in a group to the city.

There has not been any information about the consumpsion of people who arrive to Debrecen by air. I planned to check the main components of this during the survey. Accordingly, how many nights they spent in town, what services they used during their stay. Table 5 contains the type of accommodation on the basis of days spent in town. The chart does not contain people who only travelled through the city as they did not take accommodation, this is 13 people from the test. Most of them used private accommodation and stayed with friends or family during their stay. 18 people spent more than 7 nights in Debrecen and 4 people only 1-2 nights. 23 people stayed in Hotels for 1-2 nights, 6 people 3-7 nights and 3 people spent more than 7 nights in the town. 5 people marked the 'other' cathegory, 1 person out of this rented private room, 2 people stayed in boarding school, and the other two did not give a clear answer to this question.

Table 5. Distribution of accommodation types and number of days spent in town (pers.)

		Type of accommodation				Total
		Hotel	Panzio	Private accom.	Other	
Number of days spent in town	1-2 nights	14	2	4	1	21
	3-7 nights	6	1	10	3	20
	More than 7 days	3	0	18	1	22
Total		23	3	32	5	63

Source: results of author's research

Table number 6 contains the distribution of travelling purpose and number of days spent in town. As seen in the chart, foreign visitors whose purpose of travelling is either business or working abroad only use Debrecen to travel through. 11 people stated Romania as their final destination, they only chose Debrecen airport because of its favourable location and nearness to Oradea. Another 2 people who also stated 'other' travelling motivation, namely charity work, also just travelled through Debrecen, their final destination was also Romania. 26 people arrived privately to Debrecen with the purpose of visiting relatives, out of them 11 people spent 3-7 nights, 9 people spent more then 7 nights in town. Among people who chose medical treatment, 10 people came for dental treatment, out of them 4 people spent 1-2 nights, 5 people 3-7 nights and one person more than 7 nights. Among visitors with the purpose of studying 3 people spent 3-7 nights, and 10 people spent more than 7 nights in town. They probably spent a longer period, many months in Debrecen.

Services used by foreign visitors are shown in *table 7*. It can be seen from the chart that everyone used and valuated airport services as it is unavoidable not to use if they want to fly from it. Concerning transportation 13 people that is 19.9% used cars, private transport and did not use taxi, bus or tram. They travelled with friends' cars or company cars. Visitors who did not require accommodation (39 pers.), food (35 pers) stayed and ate at friends, relatives or family during their stay in Debrecen. When medical treatment came up, 10 people had planned dentistry care and another 8 people used unplanned medical services. 6 people attended conferences, they came to study. 7 people tried sport activity of which, one had pre-planned, while the other 6 had just ended up trying some sport spontaneously or attended a sport event.

Table 6. Distribution of travelling purpose and number of days spent (pers.)

Travelling motivation	Numbers of days				Total
	Transit	1-2 nights	3-7 nights	More than 7 nights	
Private journey	0	6	11	9	26
Sightseeing	0	1	0	0	1
Medical treatment					
Dentist	0	4	5	1	10
Business trip	9	9	0	2	20
Working abroad	2	0	0	0	2
Studying, education	0	0	3	10	13
Sport activity	0	1	0	0	1
Other	2	0	1	1	4
Total	13	21	20	23	77

Source: results of author's research

Table 7. Utilization of services in February and March 2014 (pers,%)

	Used it		Did not use it	
Airport services	77	100%	0	0
Transport serv.	64	83,1%	13	16,9%
Accommodation	38	49,4%	39	50,6%
Eating	42	54,5%	35	45,5%
Entertainment	9	11,7%	68	88,3%
Medical services	18	23,4%	59	76,6%
Conference	6	7,8%	71	92,2%
Sport	7	9,1%	70	90,9%

Source: results of author's research

Table 8 contains the results of service expectation correspondance. It can be seen, that many times the services were not up to the visitors standards, and the used service was worse than expected. On the basis of these facts it is reasonable to analyse services in details and find out what indicator caused the visitors dissatisfaction. In most cases the services did not cause memorable experiences but it was up to their expectations.

Table 8. Correspondance of service expectation (pers. %)

	It was like expected	It was better than expected	It was worse than expected	Total
Airport serv.	59	7	11	77
Transport serv.	48	6	10	64
Accomm.	23	9	6	38
Eating	29	6	7	42
Entertainment	6	0	3	9
Medical serv.	9	6	3	18
Conference	5	1	0	6
Sport	5	0	2	7

Source: results of author's research

References

Andorka, R. (2006): *Bevezetés a szociológiába*. Osiris Kiadó, Budapest

Babbie, E. (2003): *A társadalomtudományi kutatás gyakorlata*. Balassi Kiadó, Budapest

Cronin, J.J. Jr, Brady, M. K. & Hult, T. M. (2000): Assessing the effects of quality, value, customer satisfaction on consumer behavioral intentions in service environment. Journal of Retailing, Vol. 76. No. 2, pp. 193-216.

Giddens, A. (2008): *Szociológia*. Osiris Kiadó, Budapest

Gilyán, Cs. (2008): *A Magyarországra repülőgéppel érkező külföldi turisták utazási szokásai*. Turizmus Bulletin. XII. évf. 2. szám. 64-67 oldal.

Hofmeister Tóth, Á., Simon, J. & Sajtos, L. (2003): *Fogyasztói elégedettség*. Alinea Kiadó, Budapest

Karakasné Morvay, M. & Daruka, E. (2009): Az elvárások szerepe a szállodai elégedettségben. Turizmus Bulletin. XIII. évfolyam 2. Szám., pp. 44-55

Kenesei Zs. & Kolos K. (2007): Szolgáltatásmarketing és menedzsment. Alinea Kiadó. Budapest

Kotler, P. (2001): *Marketing Menedzsment*. Műszaki Könyvkiadó Budapest

Kovács, T, Papanek G. & Papanek Zs. (2012): *A magyar turisztikai vonzerők és fejlesztésük feladatai*. Debreceni Szemle – Tudomány és Kultúra. Debrecen és régió tudományos műhelyeinek folyóirata. XX. évf. 3-4 szám. 86-92 pg.

Mundruczó, Gyné. (2005): *A diszkont légi járatokkal Budapestre érkező külföldi turisták jellemzői.* Turizmus Bulletin 2005. IX. évf. 2. szám 55-61 pg.

Pénzes, I. R. (2011): *Turizmus kutatások módszertana: Az írásbeli megkérdezés turizmus-statisztikai aspektusai – kvantitatív módszerek.* Pécsi Tudományegyetem. TAMOP 4.2.5 Pályázat könyvei. Kempelen Farkas Hallgatói Információs Központ. *http://www.tankonyvtar.hu/hu/tartalom/tamop425/0051_Turizmus_kutatasok_modszertana/ch03s12.html*, downloaded: 20.11.2013.

Tomcsányi, P. (2000): Általános kutatásmódszertan. SZIE, OMMI, Budapest

Veres, L., Abonyiné Palotás, J., Csapó, J., Darabos, F. & Huszti, Zs. et al. (2011): Turizmus és közlekedés. Pécsi Tudományegyetem

Zeithaml, V.A., Berry, L.L. & Parasuraman, A. (1996): The behaviroal consequences of service quality. Journal of Marketing, Vol. 60. No. 2, pp. 31-46

PROFITABILITY AND EFFICIENCY – AN ANALYSIS OF THE FINANCIAL IMPACT OF THE SZECHENYI PLAN IN THE HUNGARIAN HOSPITALITY INDUSTRY

Elvira Böcskei

Károli Gáspár University of the Reformed Church in Hungary

Abstract: Continuous changes in the market and macroeconomic factors have made a significant effect on the tourism sector in Hungary. A heavily growing number of hotels could be observed in the past decade. The main question about the hotels built with high investment costs was their expected time of return. Keeping Hungary's natural conditions in mind, is it more expedient to build new hotels or refurbish old ones? I was seeking answers for these questions during my work. My research was aiming to explore the *impacts of the non-refundable subsidies* – financed by the government – *provided for new health and wellness hotel projects* carried out within the framework of the Széchenyi Plan. On the other hand, my study was expanded to the analysis of balance sheets and profit and loss accounts data of the hotels of Hungary according to their star (quality) rating.
The major findings of the research:
Considering high developmental costs *subsidies play an important role* in the hotel industry. *It is impossible to carry out such investments using internal sources only*. However, *exclusive bank loans finance* could drive insolvency so it *is extremely risky.*
Non-refundable subsides provided for hotel investments created stable, countable payroll taxes and other forms of incomes for the country.
In order to achieve more *profitable operation,* providing *higher quality of services* is indispensable. Taking Hungary's conditions into account this *can be reached more likely among four star rated hotels than any other star (quality) ranked establishments.*

Keywords: Széchenyi Plan, health tourism, hotel, subsidy, efficiency, profitability indicators

Introduction

Primary research began in 2005[1] with the analysis of the tenders declared within the framework of "Health Tourism Ten Year Development Program" as part of *Széchenyi Plan.* As for the hotels examined, the impact study questionnaire sent out comprised five areas:economic data and indicators, data referring to the investment, data referring to the hotel, the guest turnover, data on health tourism services, data on future prospects.

Besides the information obtained from the questionnaires sent back, the material gained from the in-depth interviews was also utilized in analyzing the economic effects[2]. Works on the hotel construction were completed in 2002-2004, so, in favour of the comparability of data, the year of putting into operation (the basic time data) and the data of the subsequent years were analyzed.

Due to the growing number of guests arrivals even in the year of 2000 movements to quality tourism get into mind. Thanks to this new hotels was built and some was reconstructed. Developements to stay in the more and more fierce competition is needed undoubtedly (Magyar Turisztikai Hivatal 2005).

But there is a question as well, wether building new hotels or refurbishment of some is more expedient? Taking into account Hungary's economic situation and our's place in the EU I set up my hypothesis.

Hypothesis 1

*Subsidies play an indispensable role in tourism, and, especially, in the development of the hotel industry, also allowing for the fiscal considerations. The building and the renovation of hotels is impracticable relying exclusively on the enterprise's own capital, due to the low profitability of the hotel industry today***.**

I underpin my hypothesis with the results of the efficiency analysis of the hotels built or renovated with the support of

[1]The research was conducted by the author on behalf of the Hungarian Bureau of Tourism. thus I worked out the questionnaires, sent them out, and processed them as well, as part of my own research program.
[2] In the article only the direct effects are presented. The examination of the indirect and the induced effects may lead to further research.

the Széchenyi Plan. Wqithin the framework of the ”Health Tourism Ten Year Development Program” six new hotels were built and two were renovated (Széchenyi Terv 2000). Of the newly built hotels five met the requirements of the four-star category, while one fell into the five-star category.

The average investment cost of the four-star hotels was HUF 2.46 bn, while the only five-star hotel cost HUF 3.24 bn. In view of the high investment costs characterizing the hotel industry today , aprt from the subsidies and the involvement of the builder's own sources, they were also bound to take up sizeable loans. The planned value of the bank loans was HUF 7.77 bn, but in reality the size of the loan turned out to be HUF 8.74 bn. The loans amounted to 56-58 pc of the overall investment costs, which can be considered rather a high rate. In view of this it was not surprising that the running time of the loans was on a scale between 120-191 months. The expiry of the bank loans exceeding 12 years on average seems relatively long but, on top of the rather high loan amount, it must not be forgotten that the return on the investment is very difficult to estimate here.

Table 1. Planned and realised sources of investments (data in e HUF)

Code numbers	Subsidy (planned)	Subsidy (realised)	Bank loans (planned)	Bank loans (realised)	Internal sources (planned)	Internal sources (realised)
Total:	2 680 248	2 670 142	7 776 837	8 747 039	3 523 927	3 895 812

Source: Own Calcutation according to impact study questionnaire

With the newly-built hotels, the net earning is always negative, which indicates that in the years following the investment the hotels work at a deficit. The high tax and payroll tax burden can be mentioned as the main factor of the deficitous management. *As a result of the high number of employees, aside from the contribution payments, the tax liabilities go up to a significant measure.* Examining the tax liabilities (central and local) and the payroll taxes suggests that the return on investment costs in the case of the newly-built hotels is as much as 26 years, provided that the current conditions (rate of capacity utilization, room rates etc) remain constant. *At the same time the subsidy accounting for over 17 pc of the investment costs return in 4.5 years, given the above-mentioned payment liabilities* (Böcskei 2008).

Hypothesis 2

Without subsidies, due to the high investment costs, the implementation of the investment is rather risky and might lead to the hotel becoming indebted. this mainly affects five-star hotels.

As evidence proving the above statement we can refer to the high investment and development loans of the hotels built in the framework of the Széchenyi Plan on one hand, and to the examination of the property status of the hotels operating in Hungary, on the basis of the star categories[3]. In order to be able to accomplish the investment, the hotels built under the Széchenyi Plan were forced to take up loans amounting to more than 50 pc of the investment.

The largest loan was linked to the building of the five-star hotel where the construction cost exceeded the planned expenditure only by 26.8 pc, whereas they spent more than treble of the planned amount on machinery and equipment. The overall finance requirement of the investment exceeded the planned expenditure by 47 pc. To cover the costs they had to take 42 pc more loans than they had originally intended to.[4] In the years following the installation of the hotel, only the interest payment of the bank loan exceeded 2.3 pc of the total investment value. The high interest burden also had its part in the fact that every year of the examined period was finished with a negative balance sheet result. In spite of the budgetary support, the first years following the instalation were not free from financing problems.

Beyond the analysis of particular cases, the assets and liabilities structure of the domestic hotel industry was analysed over a period of more than 15 years (1995-2010).

Leverage ratio = Long-term liabilities + Short-term liabilities / Shareholders' equity

Table 2. Leverage ratio

Star categories	1995	1997	1999	2000	2002	2004	2006	2008	2010
5	2,54	1,93	1,34	1,54	4,61	1,37	1,66	1,54	1,62
4	1,19	1,00	0,32	0,67	0,62	1,07	1,04	1,02	1,16
3	0,69	0,75	0,43	0,72	0,83	0,77	0,67	0,62	0,70

Source: Own table

[3] The specific corporate statistical data necessary for the investigation were provided by Ecostat Research Institute. While systematizing the data, I had to pay attention that the huge quantity of specific corporate data should be made suitable for comprehensive analysis as well as for determining individual attributes. So that this can be done, it is necessary to classify the hotels in star categories and to review this categorization every year, so that changes are monitored and data bases are updated. Thanks to the developments in the past years, more and more hotels met the requirements of the higher star categories. Besides the star-based categorization, hotels were also classified by regions, regarding that in some cases the head office and the place of operation were different. Considering the large data-base, the indicators were calculated nationwide. The rate of three- four- and five-star hotels among those examined reached 45 pc, thus the analysis can be considered representative.

[4] 2.5 years moratorium, followed by a 20 pc balloon added to the repaid amount annually were stipulated as conditions of the loan repayment.

In order to be able to qualify the equilibrium between assets and liabilities, the examination also covered to what extent own capital and long-term alien capital served as collateral for the assets invested. *In the case of the four-star hotels the collateral was sufficient for financing the instruments with a longer-than-one-year expiration*.

On the basis of the *leverage index*, the three- and four-star hotels have the most favourable values. With five-star hotels, the most critical periods were the mid -1990s as well as 2002-2003, (2002 was the time when the hotel built with Széchenyi Plan support was built). The index reached a height which almost questioned whether the enterprise was able to meet its debt liabilities. These findings made further analyses necessary.

Net indebtedness = Liabilities – Receivables / Shareholders' equity

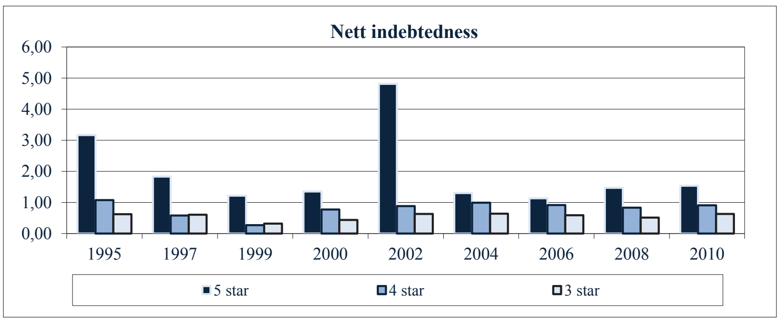


Figure 1. Net indebtedness ratio

While examining the *net indebtedness*, subtracting the accounts receivable from the liabilities shows the rate at which all this is covered by the own capital. The values found confirmed the findings of the previous analyses, that the indebtedness of five-star hotels was around the critical value, the own capital no longer covers the liabilities.

Hypothesis 3

The non-refundable subsidies granted to the developments ensure reliable and calculable short-term tax and contribution revenues.

The return on non-refundable subsidies was also examined both in the case of newly built hotels, both for the existing ones that require reconstruction or development. For newly built hotels, private capital activated with 17 pc state subsidy generated more than HUF 15 bn worth of development, which also created jobs, so the payroll and other tax payments increased the budget revenue. Beyond that, the local governments' sources of revenue were also raised.

Examining the tax liabilities (central and local) and the payroll tax liabilities it turns out that the investment costs of the newly built hotels get recovered in more than 26 years provided that the current conditions (rate of capacity utilization, room rates etc) remain constant. At the same time *the subsidy accounting for over 17 pc of the investment costs return in 4.5 years, given the above-mentioned payment liabilities.*

Under the support program of the Széchenyi Plan there were two hotels renovated – one of them three-star, the other a four-star hotel. The reconstruction of medicinal and wellness hotels relied on three main sources: non-refundable development subsidies, bank loans and own sources (Széchenyi Terv - 2001 Programok – Trendek – Eredmények 2001). In the case of the *renovated hotels,* in view of the extra tax liabilities (business and other local tax liabilities) and the additional payroll taxes, *the subsidy got recovered in two years,* while the total renovation cost is expected to be recovered in more than 8 years.

The support policy of the Széchenyi Plan shed light on the fact that *building a hotel requires an investment of several millions, while the return on the investment may take decades. Under the domestic conditions, however, developing the existing facilities can be the more effective, suitable solution.*

In order to get an overall picture of the management of Hungarian hotels, it became inevitable to *examine them with regard to wealth, financial management and profitability*.

The rate of three- four- and five-star hotels among those examined reached 45 pc – 56 pc of the five star hotels, 35 pc of four star hotels and 40 pc of three star hotels –, thus the analysis can be considered representative. Through analysing the balance sheet and the profit and loss data of Hungarian hotels, I have examined the developmental tendencies of over 15 years in the hotels' star classification system. So that this can be done, it is necessary *to classify the hotels in star categories and to review this categorization every year*, so that changes are monitored and data bases are updated.

I paid particular attention to applying and working with indicators that best characterize the specific features of the hotel industry.

Analysis focuses on three well-distinguishable areas:

- analysis of wealth position,
- examination of economic efficiency,
- presentation of profitability.

Hypothesis 4

Developing three- and four-star rather than five-star hotels can be the most expedient solution. Considering the property structure and economic efficiency of three- and four-star hotels, the dynamically growing guest turnover of four-star hotels and the favourable tendency of room capacity utilization are beneficial for the reclassification of three-star hotels into a higher star category

The analysis of efficiency, as well as the property position of the enterprise, is necessary to decide which star category of hotels is worth investing more capital, with regard to the existing supply. The analysis of the property position includes both the examination of the asset structure and the liability structure. The indicators of the liability structure most characteristic from an efficiency point of view can back the statement that *developing three- and four-star rather than five-star hotels can be the most expedient solution.*

During the analysis of indicators of the liability structure, like in examining the asset structure, *the analysis comprises tendency-like changes. As for the proportion of own and alien sources, it is not possible to take a clear position as to which value can be considered exclusively acceptable,* but the gradual increase of own capital as opposed to alien sources is definitely favourable. In assessing the indicators it must not be forgotten that from the year 2000 on there were large-scale developments in four-star hotels, and by 2006 their number doubled to reach a nationwide 16 pc ratio. Investigating the wealth structure by the star classification of hotels it can be stated that the *ratio of own capital is lowest in five-star hotels (*30 pc), while in three- and four-star hotels the values are over 50 pc.

While further analysing the structure of own capital we also analysed *the accumulated profit reserve* (this index shows the ratio of profits and losses made in the past years and own capital).

Accumulated profit reserve ratio = Accumulated profit reserve / Shareholders' equity

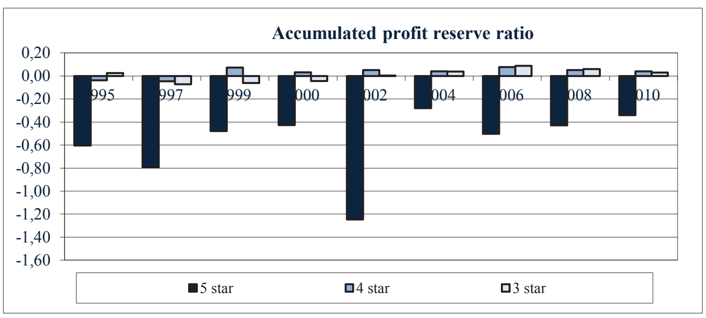


Figure 2. Accumulated profit reserve ratio

This **s***howed the worst value for five-star hotels,* the value was negative for the whole period examined. *The index was the most favourable in four-star hotels, which indicates successful management in the long run.*

For making a judgement about the success or failure of an enterprise, aside from examining the property structure, the economic efficiency analysis is also indispensable. It is typical of the hotel industry that more than 90 pc of their total revenue comes from the net sales turnover, so examimning the revenue positions is essential.

The sales revenue per unit of asset shows to what extent the enterprise utilizes its assets, how many revolutions the assets make in the realized net sales revenue over a given period. The best values were realized by three-star hotels, realizing on average 55 forints on 100 forints fixed assets. The rate of return shows the lowest value in five-star hotels. The reason for this lies in the very valuable stock of tangible assets. The analysis of the property structure made it visible that the stock of assets significantly varies by star categories.

The number of revolutions of own capital shows how many times own capital is recovered from the sales revenue. The invested capital per unit shows an outstanding value in 2002 and 2003. Given the capital structure of five-star hotels, this cannot be regarded as a clearly positive result. While in three- and four-star hotels both the net sales turnover and own capital show a dynamic increase, five-star hotels, on the contrary, show significant fluctuation. The relatively favourable values of three-star hotels can be explained by the fact that they have low own capital, and, save the first two years of the period examined, their balance sheet shows positive results every year. In their tendency three-star hotels show a balanced performance, and the same characterizes four-star hotels as well.

The analysis of sales turnover per unit cost examines the ratio of sales revenues and costs. The index shows the sales revenue attainable with the maximum cost, ie. how many units of sales revenue the enterprise can achieve on a unit of inputs. *The pace of revenue increase lags behind the pace of the increase of expenditure, thus the value of sales turnover per unit cost has worsened. The largest degree of deterioration could be observed with five-star hotels*, but as a positive fact, from 2004 on a slight improvement can be experienced.

Typical of the cost structure of hotels is the fact that they have relatively high costs. With no regard to the star category of the hotels, material costs was the highest, followed by staff costs, and finally depreciation.

Employers' contributions, that is the public dues imposed on employers can be considered high up to the present day, that is why they try to push the number of employees to the lowest possible level.

As a first step of a more economical cost management, it is on the area of material-related costs that companies first introduce cost-trimming measures. If further austerity becomes necessary, companies start thinking about the revision of staff costs. Tourism is also special in this respect as labor leasing is quite wide-spread. This form of employment has a great advantage, notably that on a given day the employer only hires as many people as are required to complete the job. Though today it is no longer a problem to find workforce through an employment agency, the practice *raises a number of management dilemmas. One of them being whether efficiency and profitability aspects can in the long term override loyalty to the company, and the quality focus. It is especially true of an industry in which direct contact with the guests and the highest possible quality standardsl of serving them are basic requirements.*

Hypothesis 5

An essential condition of profitable hotel manegement is shifting toward high quality service. Given Hungary's resources, it is mainly possible in four-star hotels, rather than in lower or higher star categories

To prove our statement we overview the most characteristic indicators of the hotels' management. In analysing the revenue position of hotels, the profit figures and the factors influencing it were examined.

The analysis by *profit per unit sales turnover* determines what percentage of the trading profit is derived from the net sales turnover and other revenues. The analysis of the property structure led to the conclusion that real estate accounts for rather a high proportion of the hotels' asset value, which made it necessary to also calculate the EBITDA index, which ignores the profit-reducing value that arises from the depreciation of assets.

EBITDA= Income from operations + Depreciation / Total sales (Revenues)

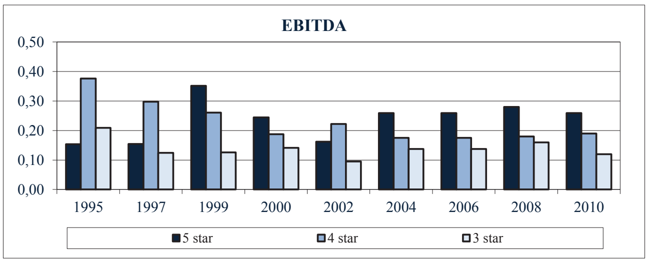


Figure 3. Accumulated profit reserve ratio

Though the index shows a decreasing value in four-star hotels, but on the whole the picture is more calculable, thus more favourable than five-star hotels. In five-star hotels the least drop in gust turnover leads to a radical drop in profits. A positive fact to be underlined can be that in the last years of the period examined they have been managing the hotel profitably, so they could show the best results.

Compared with profit per unit sales turnover, both profitability per unit of assets and profitability per unit of capital show a worse picture, since in the case of these indexes the trading profit served as base for comparison. In the case of profitability per unit of assets the pre-tax profit must be compared with the assets, while in the case of the asset-recovery index we should use the profit reduced by tax payment.

In the case of *profitability per unit of capital t*he after-tax profit or the balance sheet profit must be compared with own capital in order to find out how much the former contribute to the increase of own capital.

Compared with profit per unit sales turnover the biggest deviation can be experienced in five-star hotels, which can be traced back to taking an extremely large bank loan, whose interest burden has a severe impact on profitability. They spend nearly 13 pc of their total revenue on inerest payments, thus it is not surprising that the five-star hotels, which are the most sensitive to the slightest changes in guest turnover (and, within that, foreign guest turnover), produced negative results in more than half of the years examined.

The profitability of three-star hotels shows an even performance due to the graduality in the accomplishment of the reconstruction works and the surge in domestic tourism, which also favoured three- and four-star hotels.

Four-star hotels finished each year with positive after-tax profit figures over the whole period examined. From 2000 on, the signs of structural change are well discernible, though in consequence of the hotel constructions and reconstructions their profitability fell back.

Table 2. Correlation and significantion between star categories of hotels and their profitability, economic efficiency

Economic efficiency and profitability indicators	Is connection significant?	Srenght of correlation
Income-equity ratio	Yes	0,135
Income-costs ratio	Yes	0,254
Income-return ratio	No	0,105
EBITDA	Yes	0,153
ROA	Yes	0,148
ROI	Yes	0,149
Rate of return on taxed profit ratio	No	0,124
Rate fo return on equity ratio	No	0,122

Source: Own calculation

My hypothesis was also supported by the economic efficiency and profitability examination carried out with the help of variance analysis. There is significant correlation between the classification of hotels into different star categories and efficiency on one hand and profitability on the other. In the case of four- and five-star hotels this correlation no longer exists, so it is justified to increase the number of four-star hotels, rather than five-star hotels.

The major findings of the research:

- Considering high developmental costs subsidies play an important role in the hotel industry. It is impossible to carry out such investments using internal sources only. However, exclusive bank loans finance could drive insolvency so it is extremely risky.
- Non-refundable subsides provided for hotel investments created stable, countable payroll taxes and other forms of incomes for the country.
- In order to achieve more profitable operation, providing higher quality of services is indispensable. Taking Hungary's conditions into account this can be reached more likely among four star rated hotels than any other star (quality) ranked establishments.

The support policy of the Széchenyi Plan shed light on the fact that building a hotel requires an investment of several millions, while the return on the investment may take decades. Tourism cannot be assessed only by way of numbers, the natural resources, the location and the cultural values must not be ignored. The appreciation of health tourism has become a key factor in Hungary's touristic supply, the hotel industry based on thermal springs may become a booster industry of the country. The literature suggests that such objectives can best be served by newly built investments with a slow return. Under the domestic conditions, however, developing the existing facilities can be the more effective, suitable solution.

References

Böcskei Elvira (2008): A Magyarországon működő szállodák vagyoni, pénzügyi, jövedelmi helyzetének elemzése. A Széchenyi Terv támogatáspolitikájának hatásvizsgálata az uniós támogatások tükrében. PHD értekezés

Fenyves Veronika, Tarnóczi Tibor & Vörös Péter (2014): Financial indicators in managerial decision-making. Annals of the University of Oradea, Economic Science 2014/1: p. 893.

Lengyel Márton (2004): A turizmus általános elmélete. Heller Farkas Gazdasági és Turisztikai Szolgáltatások Főiskolája, Budapest, 2004.

Magyar Országgyűlés (2000): 2000. évi C. törvény a számvitelről

Nemzeti Turizmusfejlesztési Stratégia (NTS) 2005-2013. Budapest, Magyar Turisztikai Hivatal 2005

Nemzeti turizmusfejlesztési koncepció (2014–2024): Budapest, Nemzatgazdasági Minisztérium, Nemzetgazdasági Tervezési Hivatal.

Turizmusfejlesztési Program (2000): Gazdasági Minisztérium, Budapest, 2000. szeptember

Széchenyi Terv (2000): Gazdasági Minisztérium, Budapest, 2000. március

Széchenyi Terv, 2001 Programok, Trendek & Eredmények (2001): Gazdasági Minisztérium, Budapest, 2002. január 15.

THE ANALYSIS OF COSTUMER SATISFACTION IN RECREATIONAL TOURISM

Éva Kozmáné Csirmaz & Károly Pető

University of Debrecen, Faculty of Economics and Business

Abstract: Due to increased health awareness and the growing amount of assistance to boost it, health tourism research has gained significance in our days. The present study focuses on the analysis of customer needs for recreational tourism and their habits; moreover, it interviews the guests of 15 Hungarian wellness hotels through a questionnaire survey. Next we attempt to explore the rate of guest satisfaction with health-preservation services. The study presents the findings of this research activity until now, whereas the results of further data processing will be published in the future.

Keywords: recreation, health tourism, consumer satisfaction

Introduction

The past years saw health tourism come to the fore again as the sector which can revive economic activity, create jobs and improve competitiveness. As a result of increasing health awareness manifesting partly in customers' diverse use of preventive services and the influences of foreign trends, the ever-changing needs of health tourism consumers are difficult to meet. The need to satisfy these diverse demands has multiplied the number of health tourism companies. It is the common interest of both customers and service providers that the volume and quality of recreational services should comply with the highest possible demands.

The concept of health tourism

The present research focuses on recreational tourism including wellness tourism; however, first we discuss the term coined from a definition by Dr. Gyula Kincses and another one by Melanie Smith and László Puczkó with the authors' supplements and then we present the definition of health tourism. *(Figure 1.)*

The creation of a more complex concept seemed to be important as neither service providers, nor customers are unable to provide a precise answer to the question what certain health-tourism related expressions or services mean that are recommended for them, or they wish to use as consumer demands change constantly and the concept of health tourism goes hand in hand with this development. Moreover, several publications underline the problem posed by the lack of a uniform concept in tourism and this might lead to severe misunderstandings of communication and function.

As for a standard definition of *health tourism* in Hungary "Health tourism is a concept embracing medical and wellness tourism, the area of tourism where the key motivation of visitors is to improve or to preserve their state of health, i.e. recovery and/or prevention; accordingly, they use health tourism services during their stay in the given destinations (ÖM /Ministry of Local Government/, 2007).

As *Figure 1.* shows, our system differs from the most widespread definition of health tourism, since it displays wellness tourism as one of the sub-categories of preventive, recreational tourism, as recreation, based on a definition by Kovács (2004), is a civilised way of spending our free time,

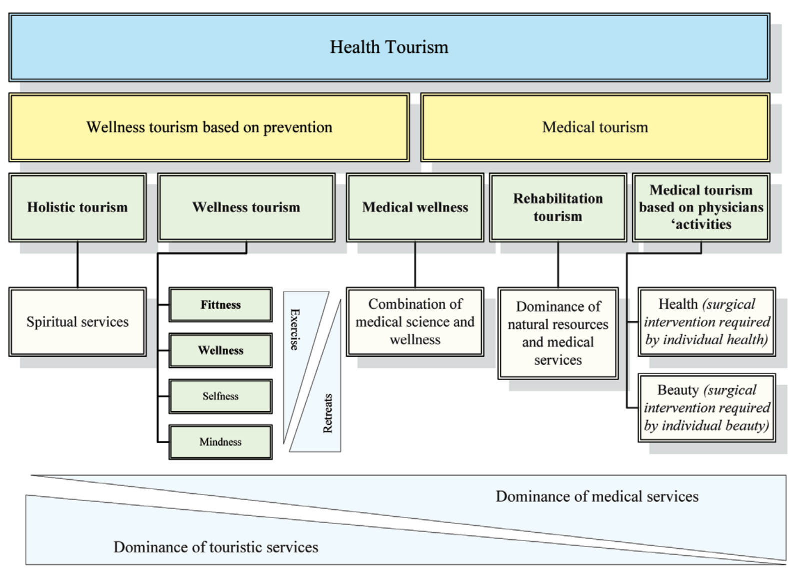


Figure 1. The concept of health tourism

Source: Author's own research

i.e. all the activities that lead to recreation and refreshment, constituting a broader category. However, due to – among others – burgeoning consumer needs, it includes not merely wellness tourism as a touristic sector, but holistic tourism as well and also the part of medical wellness where touristic services dominate.

Figure 1. highlights the area emphasized by the present study. *Recreational tourism* is a complex service package to improve and to preserve health in general, which might include health care services (e.g. medical massage (I1) in addition to health-improvement services (e.g. wellness, fitness).

Wellness tourism focuses both on the improvement of harmony in body and mind by using complex health touristic services used in one's free time.

Trends of recreational tourism

The lack of a uniform data measurement system and the existence of terminological differences in various countries hinder the analysis of data referring to the use of recreational and wellness services in the world. Both the tourism sector and its consumers need more information, data and various resources so that wellness services can become competitive and authentic.

The goal of this chapter is to introduce health tourism, including the European and domestic trends of recreational tourism.

The past decade saw the emergence of massive changes and related new trends in the international demand-supply relations of health tourism. In addition to traditional medical and thermal tourism in the 90s, wellness-fitness services emerged and became increasingly popular among customers (*Kiss & Török* 2001; *Rátz* 2004). Being aware of the looming trends of these new areas in the third millennium (demand for a healthy lifestyle, individual responsibility for the preservation of health on a large scale, highly stressed lifestyle, the development of civilisation diseases etc. experts predict a more dynamic growth rate than that of health tourism (*Kiss & Török* 2001).

Europe

Europe is the continent with still the largest share of international tourism; however, its share from the travels of feeder markets outside their regions is decreasing continuously. 51.6%, i.e. 534.7 million international arrivals were registered here in 2012. As for international touristic revenues, the share of Europe (42.1%, 453.4 billion USD) was the largest. Compared to 2011 (calculated in local currency) touristic revenues grew by 1.8%, i.e. at a slightly lower rate than the number of international tourist arrivals (I2). According to data by STR Global European Hotel Review, European hotels were moderately successful in 2012: the survey showed that European hotels were full at a 0.1% higher rate. In this process, the slump in Southern Europe and stagnation in Northern Europe played leading roles throughout the year. The average price calculated in EUR expanded by 4.7%, RevPAR[1] by 4.8% (I3).

Hungary

The majority of Hungarian service providers seek to become medical tourism destinations and only few recognize the hidden potentials of increased demand for lifestyle-based services (I4).

In developed countries, which are the major feeder markets, the rising growth rate of the elderly population has become the most characteristic demographic trend. Increasingly health-conscious seniors with rich travel experience might provide purchasing power for the sector of health tourism. In addition, in welfare societies the demand for combining privately financed medical services with touristic experience is also on the rise (I2).

The emergence of wellness in Hungary can be dated to the second half of the 1990s. This type of health tourism is becoming increasingly popular today. The growing demand is triggered by social and economic changes domestically or at international level, and also by growing health and environmental awareness (*Varga & Molnár* 2011).

An increasing number of enterprises launched their business in the previous years, providing preventive and wellness services, adjusting to international trends.

Today wellness and fitness services can be used in the following localities in Hungary:

- wellness-hotels or the wellness-departments of commercial accommodations with various qualifications (e.g. medical hotels)
- units specially intended for these purposes in medical, thermal and experience baths
- health centres,
- daily wellness-providers, including wellness-centres: these are facilities which provide a wide range of wellness, bath, sauna, relaxation, fitness, sport and beauty services (I5).

Material and method

Our primer research applied the method of questionnaire survey and focused on two areas: the sub-areas of preventive, recreational tourism and wellness, fitness customs, attitudes. The visitors filled in altogether 677 questionnaires in Hungarian wellness hotels after using their services. Out of them, 445 questionnaires surveyed wellness, whereas 232 ones fitness habits. The questionnaires included mostly closed questions, but respondents could also develop their personal opinion in answers to open questions. Data gained in this way were analysed by the SPSS 20.0 statistical programme.

[1]Revenue per available room

Research findings

The age profile of the sample

The age profile of the sample (*Figure 2.*) suggests that wellness and fitness services are dominantly used by the age group of 41-60 (40.2%), and the rate of those between 26 and 40 (33.4%) is also high in terms of the use of preventive medical services. Under 18 (1.9%) and above 60 (8.8%) the level of prevention consciousness is lower.

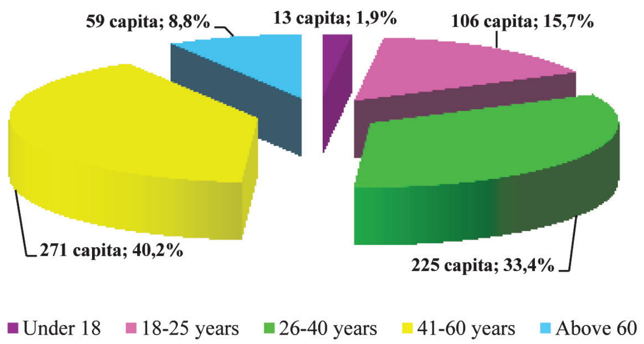


Figure 2. Age of respondents

Source: Authors' own research

School qualifications of survey participants

The rate of participants with higher education certificates is high (55.2 %), including 50-50 % of university and college graduates, respectively (24.6%-30.6%). The number of graduates with secondary degrees is 161 (24.1%), that of participants with OKJ (National Qualifications Register) is 66, whereas 6.3% of the visitors seeking relaxation and recreation were qualified workmen. Merely 2.7%, i.e. 18 people completed primary school and 13 visitors (1.9%) refused to answer questions about their school qualifications.

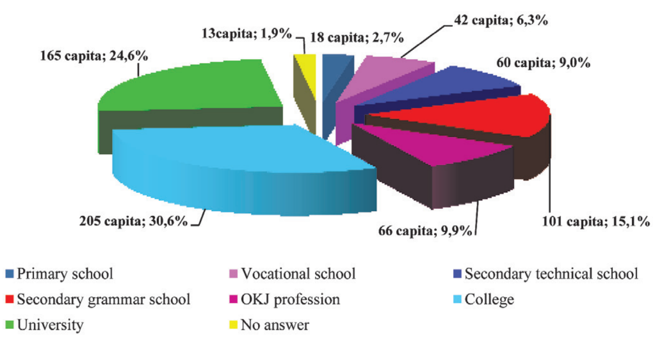


Figure 3. School qualifications of respondents

Source: Authors' own research

The breakdown of participants by educational attainment underpins the plausible hypothesis that the customers of healthcare service providers are mostly highly qualified individuals.

The number of members in the families of respondents

Healthcare providers' services are mostly used by families of four (33.7%). 23.9% of families of three use these services, but couples also prefer preventive medical programs (25.8%) (*Figure 4*).

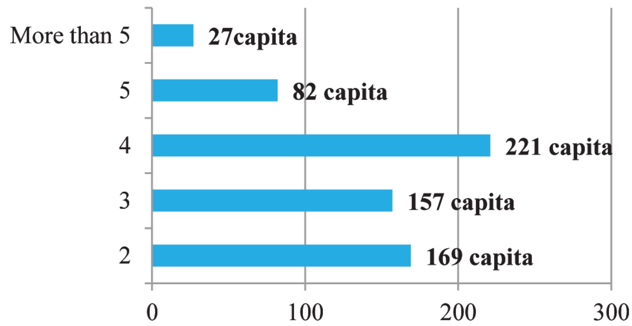


Figure 4. The number of respondents' family members

Source: Authors' own research

To sum it up, it can be stated that families with two children have a strong preference for preventive, experience-rich services.

Income of respondents

Taking foreign citizens into account, income-related categories were calculated in HUF and EURO as well. Out of 677 individuals, 496 people answered the questions about their incomes, adding up 73.3%. Visitors who use recreational services are mostly from families whose net monthly income exceeds 280 thousand HUF (28.4%). The studied sample includes 109 visitors where the net family income is 130 001-180 000 HUF, i.e. 22% of visitors. 98 individuals belong to the category of 180 001-230 000 HUF. There are merely 42 people whose net family income is below 130 000 HUF (*Figure 5*).

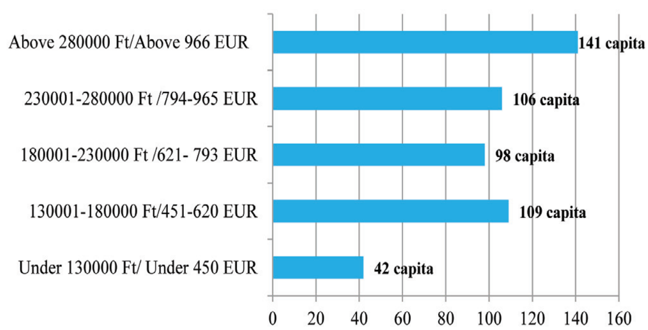


Figure 5. Distribution of the sample by income category

Source: Authors' own research

The examination of income categories reveals that wellness hotels are **typically chosen for free time activities by high income families.**

The additional objective of the present research is to explore the use of the following services and related customer satisfaction:

- adventure pool,
- Finnish sauna,
- steam chamber,
- restaurant,
- playhouse,
- massage,
- sport programs,
- Jacuzzi,
- water jets.

Our methodological research applied the Chi square test to find out the correlations between two variables, i.e. between the use of given services and wellness or fitness "customer presence". As for steam chambers, sport programs and water jet services, there was a significant[2] deviation in terms of wellness and fitness customers.

This means that *steam chamber* use depends on the fact whether the concerned guests used wellness or fitness services earlier. Those visitors, who prefer fitness activities, used the steam chamber to a greater extent (44.6%), whereas this extent for wellness consumers is 36.6%.

Fitness lovers tend mostly to be the participants of *sports programs* (20.8%), set against wellness service users (13.3%); however, neither group tended to pursue these activities from the whole sample, merely 15.9%.

As for *water jets,* correlation can also be detected between the two variables. Fitness fans used it at a 10% higher rate, i.e. 36.8% of them. Wellness visitors are less likely to use this service (26.2%). The overall usage rate is 30%.

With regard to gender differences, the Chi square test results have not revealed a correlation between the two variables, suggesting that they're the respondents' gender failed to impact the usage of services.

Our research used variance analysis[3] to explore the impacts of age on the usage of services.

85% of guests under 18 used the experience pools, their volume ranked the top of the list. The 18-25 age group of visitors used them in 69%, that of 26-40 in 74%, 41-60 in 80%, whereas visitors above 60 preferred experience pools at the lowest rate (63%). Within the studied services, the usage of this service is the highest of all age groups.

Finnish sauna (60%), steam chamber (46%), and massage (54%) are mostly preferred recreation types by the 26-40 age group. Children's playhouses and sports programs are visited by those under 18, as the rate of users among the age groups is the highest for these two groups, i.e. 38% and 23%, respectively. Water jet facilities are mostly visited by guests above 60, as 41% use these services (*Figure 6*).

To sum it up, it can be concluded that visitors under 18 use experience pools significantly more dominantly as compared to older ones (18-40) and above 60 who rather stay away from experience pool services.

The various age groups use restaurant services at a very high rate:

under 18 years	**69%**
18-25 years	**58%**
26-40 years	**80%**
41-60 years	**77%**
above 60 years	**49%**

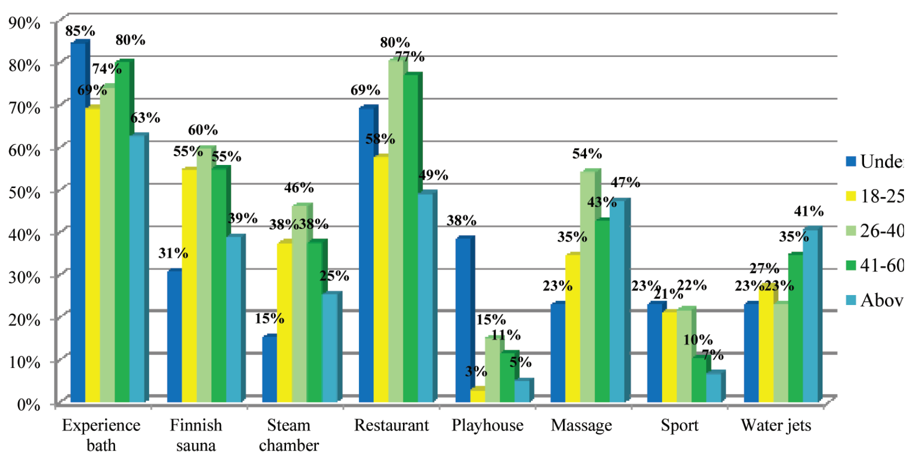


Figure 6. Distribution/deviation of service usage by age group (Findings of variance analysis)

Source: Authors' own research

Our research focused on the satisfaction level of guests in relation to the investigated services. Our findings revealed that they are mostly satisfied with these services, as the value of the main average measured on a scale of 5 was 4.47%. The youngest age group proved to be the most satisfied, as the mean value of their answers measured on a scale of 5 was 4.92. They were followed by guests above 60 with an average of 4.73. Assessment in the 25-41 age group was stricter: their average values were 4.39 and 4.38, respectively.

---

[2] p<0,05

[3] Our variance analysis compared the mean values of more than two populations in terms of the sample. It is used for the solution of problems where the value of the dependent stochastic variable depends on one or more systematic effects or on random events. Furthermore, the explained variable is of high measurement level or a binary one, and explanatory variable(s) are low-value categorical variable(s).Significance exclusively belonging to the values of F test is <0.05)

Summary

Our research findings suggest that the visitors of health care service providers are mostly highly qualified people. Moreover, families with typically high incomes opt for wellness hotels to spend their free time.

Our research supported the assumption that those families prefer preventive services full of experiences where there are two children in the family.

Visitors under 18 use experience pools significantly more dominantly as compared to older ones (18-40) and guests above 60 who rather stay away from experience pool services and prefer water jet.

All age groups seemed to use complementary services such as restaurants actively.

References

Önkormányzati Minisztérium (ÖM) (2007): Országos Egészségturizmus Fejlesztési Stratégia, Aquaprofit Rt, Budapest

Kovács Tamás Attila (2004): A rekreáció elmélete és módszertana. Fittness Kft., Budapest, 342. o

Sziva I. (2009): Öntsünk tiszta vizet…Az egészségturizmus fogalmi lehatárolása és trendjeinek válogatott bibliográfiája, TURIZMUS BULLETIN XIV. ÉVFOLYAM 4. SZÁM pp. 74

Kiss K. & Török P. (2001): Az Egészségturizmus nemzetközi keresleti és kínálati trendjei, Turizmus Bulletin 2001. 5(3). pp. 7–14

Rátz T. (2004): Zennis és Lomi Lomi, avagy új trendek az egészségturizmusban. In: Aubert A.–Csapó J. (szerk). Egészégturizmus. Bornus nyomda, Pécs. pp. 46–65

Varga, N. & Molnár Cs. (2011): Wellness profilok a magyar és az osztrák szállodaiparban, Acta Carolus Robertus, 1 (1) pp.127-132.

TOURISM PERFORMANCE OF DESTINATIONS BASED ON SETTLEMENT APPROACH (How to set up regional database focused on tourism in Hungary)

Csilla Szalók, Ágnes Holczerné Szentirmai, Ákos Probáld & Ilona Kovácsné Székely

Budapest Business School

Abstract: Recently in the regional development researches the attention draw to the way of measuring destination's development and competitiveness. The further development of the Hungarian Tourism depends on the regions, destinations' developments, their success in competitiveness and the ongoing innovation in tourism. The research of the Budapest Business School Institute of Tourism Department intends to elaborate a complex tourism destination indicator based on former researches and experiences.

Keywords: Tourism destination management, Destination development, competitiveness, Tourism Complex Indicator, cluster analysis, principal component analysis

Introduction: the evaluation of the problem

Although the development of tourism industry is countinous, the crisis and the impact of the environmental changes on the greater competetion market led to the fact that the market players act more effectively at more difficult market conditions. Although economy shall gradually recover, instability accompanying this development is constant. The rapidly changing trends highly need the adaption of evolving market circumstances. New consumers appear in the developing countries (BRIC countries), in our digitalized world travellers adopt more flexible consumer decisions. The world is more and more insecure around us, the environment is constantly changing, thus economy needs to be more flexible in order to secure the stability of the country for the long term.

The most important aim of our tourism policy is to increase the level of domestic tourism and to revitalize regional tourism. However, the increase of tourism demand may not be continued without paying attention to the exploitation of the natural environment, ecological, economical – social barriers. Special balance arises in these circumstances and on the basis of paying attention of more changing indicators. Our tourism policy can only be successful if it follows the changes rapidly and flexibly and can face them and be able to use more delicate methods for its development. This can only be possible if all interested parties in tourism know the most effective factors for the best possible efficiency and which are those obstacles we have to face in order to be able to increase our efficiency.

A significant proportion of Hungarian settlements believe – almost regardless of which territory we speak about – that they have a place on the country's touristic palette. This notion should be tackled and shall be treated as a break point. In the future, with the improvement of the quality of life, the further spreading of culture and the stabilization of the economy, the need for travel shall resume, the domestic and international demand for tourism shall increase. We shall be prepared both for the increase of demand, and – in the same time – for the long term changes in the tourism field. Those villages and regions would profit which just in time recognise the potencial related to changes and would prepare in advance.

The key for the future development of the country's tourism is the development of regions, and the support of establishment and subsistence of the lasting tourism competitiveness. Most of the European countries recognized the potencial in tourism and make efforts for the increase of the competitiveness and capacity of tourism. The building elements of the tourism regions are mainly similars, the natural attraction, the cultural heritage and the well functioning touristic infrastucture. The key factor that makes them different is the place, the local community, the local business, all together who make up the region unique for the visitors. The base of this is the cooperation of all interested parties in tourism. Therefore published researches related to the concept of destination and destination management (17, 2011, *Pike, Page* 2014 *et al.*) and the attention draw to the concept of destination as "a geographically embedded meeting points of supply and demand face the challenge of bundling a fragmented supply into a consistet tourism product" (6, *Dregde* 1999 cited by *Volgger, Pechlaner* 2014;). Its significance reinforced due to the fact that tourism is taken place at destinations which are "the fundamental unit of analysis in tourism" (WTO, 2002). The destination is not simply "an amalgam of a diverse services and eclectic range of businesses and people who might have a vested interest in the prosperity of the destination" (17, *Pike, Page* 2014). However the success of individual tourism enterprises and businesses and their cooperation will influence the success of the destibnation, and vice versa depend to some extenet on the competitiveness of their destination (17, *Pike, Page* 2014).

Until now, in national and international touristic bibliography the emphasis was put on the analysis of competitiveness. Typically complex comparison on competitiveness was performed on different kind, but large scale destinations:, for example: either country or city (see. Armenski 2011, Enricht-Newton 2005, WEF3 touristic competitiveness index). The examination of sub-regions has faded away, as formulated methods and modells were either partly or totally unsuitable for examining these. In the same time more models exist, which analise the general regional economic competitiveness and even though these make the analysing possible in smaller areas, for touristic approach they are not suitable. (*Lengyel:* Pyramid model 2003)

Research background and methodology

The first touristic society (Hungarian TDM) was established in 2002 in Gyenesdiás based on South-Tirol's example. After that, this kind of touristic guidance entered into the national strategy for the programming period of 2007 and 2013. (NTS). On that basis, several tenders were announced supporting the establishment of local and regional societies, alltogether with the support of 4.3 billion Hungarian Forints. Due to this kind of support, until the end of March 2014, 90 organizations have registered at the Ministry of National Economy's Tourism department. 25-35 registrations were further expected. Some of those have already started the process, and there are some that were not intended to join.

The evaluation of the TDM tender in case of the indicators of maintenance period takes into account the figures usually based on the realized number of overnight stays, the arrivals and the period of residence.

In the new budget period of 2014-2020 for the TDM societies – based on present information – there would be more support. As a result, among the already existing TDM societes and in the effected settlements, a long-term strategic thinking has started about tourism and its development. Needless to say, it has paid attention to the development resulted effects, but at the same time, without proper methodology and indicators the imagined vision was not definitely supported by the right technical arguments.

In 2013 February, with the support of the European Commission, a new indicator system was set up to represent and to show the functioning and sustainability of the touristic destinations – the so-called European Tourism Indicator System (ETIS). Two domestic TDM societes have joined the recent test-period on April 1 with the cooperation of the Budapest Business School, College of Commerce, Catering and Tourism, Tourism Department. The aim of the European Commission with the newly established indicator system is to strengthen the competitiveness of our continent through local level monitoring, and in order to achieve it, it provides coherent tools for the member states. Without doubt, it is the interest of Hungary to apply all the quality systems established on the continent, and to convince domestic tourism enterprises and TDM societies to become partners.

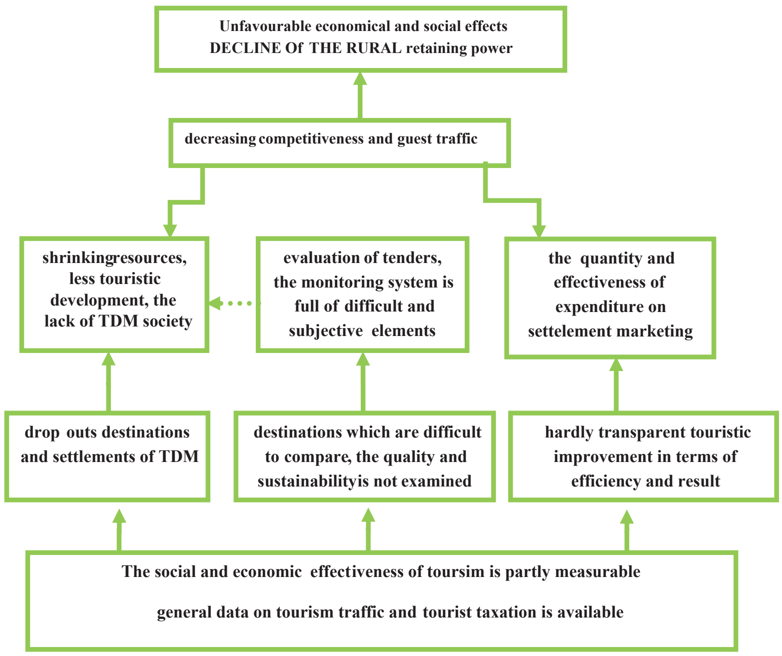
The aim of ETIS is to establish a coherent European indicator system. The system to be set up here is in a loose connection with ETIS. The aim is to introduce the most efficient model for our domestic system.

Research modell

The reason for setting up the model:

- There are settlements, where national attractions exist, thus they have high number of visitors, but in the same time its numbers do not necessarily influence "the nights spent", since these visitors do not spend a night at the settlement. The spending of the mentioned one day visitors appears at catering places, retail shops and at the attraction itself, which is a significant income of local people. For these settlements, tourism provides an important contribution to the sustainable economical and social development, retains the population of the settlement. In the same time, the local TDM society cannot receive registration due to the low number of visitor nights spent, therefore it cannot participate in the tender procedure. The marketing activities of these villages could become incidental, thus the local marketing activity becomes less effective compared to the situation where professional bodies engage with it cooperating with local people and enterprises.
- Another hardship is the limited financial resources, the objective judgement of tenders, since the touristic development of various settlements is hard to be exactly compared to another, so the system can not provide a well-defined objective for the applicants.
- The economic aim would be to create sustainable development for tourism, using the scrace resources
- In those settlements, or regions where the local government or its representatives decide on touristic questions, the professional criteria often encounters difficulties without objective and complex indicators. This problem has become relevant during the past years due to the abolition of touristic boards.
- It is not disputed in professional circles that visitor's flow data is only partially able to measure the effects of tourism, so the need for more specific indicators – which can present tourism as a complex phenomenon – arises.
- Besides the economical importance of tourism, the social impact is also indisputable

Problem-tree



Results and discussion should be clearly described

Research aim

Although participation in tourism related activities mostly depend on economic consideration, at the present and future planning and development of tourism, the socio-cultural and environmental impact analysis is increasingly being pushed into the forefront besides economic considerations.

Assessment of the situation is essential for developing our tourism industry. This has to based on besides the advantages of competitiveness, the measuring of touristic power of the given settlement and taking into account the long-term sustainability.

Basic aim

To develop a special database and a complex indicator for settlements, which expresses the role of tourism in the everyday life of the settlement, takes into account the economic, social and environmental effects for long-term sustainability.

The aim of the present research is to determine indicators that fit the pursued objective, futhermore to create a database that includes all those data that can be associated with the development of the settlement.

Following, a global index shall be developed (Tourism Complex Indicator- TCI), which can be used for the statement of efficiency, and for ranking the local inhabitans from a touristic point of view. As a result of the calculations an index, an index group and the ranking of settlements could be set up. The results would be enable settlements, settlement groups delimited by TDM groups to position themselves and to classify the destination, its difference from other settlements or from the other regions and to determine the importance of tourism in the life of the given settlement.

Subtargets

To better learn the factors effect the touristic characteristics of a settlement and the factors leading to the development of tourism, moreover, to study the role of tourism in the life of settlements.

Helping to set up and develop TDM-organization. To explore the operational effectiveness of TDM-organizations.

To give a comlex evaluation for the less measured factors on tourism from the perspective of long-term sustainability.

Methodology

Primary research:

Its largest part is determining and creating the indicators (variables). During the research, the collection of potencial indicators which are suitable for the measurement of performance, comes from various resources. Most of the data used is gained from the Central Statistical Office's (CSO) database, moreover, from council records, from thousands of personal interviews with, and from local inhabitans, international and domestic visitors' questionnaires.

The planned research shall be conducted by advanced mathematical-statistical method and analisys. The method itself – create typified by development deciles – is relatively simple. The majority of the workshops (see: Bibliography 1; 2; 5; 7; 11; 26) dealing with defining and monitoring local tourist destination's state of development use this or very similar procedures. In essence, the about 60 indicators (see annex no.1) connecting to tourism shall be categorizied into ranked by 6, descriptive component-groups (CG like: economic, infrastructure, employment, society, attraction, special tourism indicators). Following that, settlements in the case of each of the indicators will be from 1 to 10. The settlements in first (best) decile will given 10 scores, settlements in second decile will given 9 scores and so on, the settlements 10. decile 1 scores. Following it, the scores value of the indicators would be aggregated and the simple arithmetic mean (average) would be calculated on components's level, as sub-average and in general, as the main average.

$$S_i = \sum S_{ij} / \sum S_j$$

where

S_i = TCI value of the i settlement
S_{ij} = decile value(score) of i settlemen's j indicator
S = number of indicators

The sub-averages of the CG's will be the economic (ETCI), infrastructure (ITCI), employment (ETCI), society (STCI), attraction (ATCI), special tourism (TTCI) sub-complex index's. The average of the sub-average will give the main average, namely the Tourism Complex Indicator, the TCI itself. Settlements receive 6 components's value based on these values, settlements could be ranked again and the development values and scores could be determined. Finally, the average of scores gained on the component level will determine the main average the value of the Complex Turistic Indicator.(TCI) In accordance with these values, the settlements within the region or countryside can be ranked and positioned again.

The components and the indicators related to the components – since these suppose to describe the factors influencing tourism – are such important elements of the whole system, that researchers shall consult TDM organizations before finalization, data gathering and data compilation into database.

Of course, all material will be made public and available for all database-user in order to show the indicators, components and all together the real value of the region and the level of development of the settlement.

The absolute value of individual indicators will only be made public to the settlement itself, and it will have the discretional right to share the data with its own, regional, national TDM society.

We plan to apply a special modelling system (like cluster analyzis) that shows that by using the 60 settlement indicators of the database which settlements could form a homogenous group, which could lead to forming a TDM organization.

It could be interesting to learn whether the already existing TDM organizations' establishment followed a similar pattern.

Further result of the procedure is that factors effecting the creation of groups are predictable. Additional important research-result would show that the grouping procedure could be set up for continuous and private data as well, thus it will become comparable and as a consequence, it will be comparable how to obtain similar or different groups from continuos or derived data.

Another procedure would be able to demonstrate – based on main component analisys – how the starting indicators (independent indicators)factors contribute to the value of the complex indicator (dependent indicator).

Secondary research

Specific examination of the relevant bibliography. The pilot works of European Commission related to 'For Sustainable Management at Destination Level' should be emphasized. At the same time, focus should be put on the analysis of the research of Hungarian lecturers (touristic core areas (Aubert Antal-Szabó Géza) and /or the destination effects model (Xellum Tanácsadó és Szolgáltató Kft.)

The expected result of research

The result of the research is to create a 'set of indicator', namely to define an operationalization frame. We will be able to present the effect of the various indicators on the level of settlement, region or settlement group. Available information for the two dates (2007-2012) will be able to show the development (or decline) of touristic direction and its extent and the effect of important factors playing role in it.

With the help of geographic information system, maps able to draw up significant or less significant settlement groups inside the region could be created. Complementing hypothesis, we shall constantly test the practice with experts who deal with the development of settlement or region.

The analysed group of the choosen settlement and region, was narrowed, taking into account regions with TDM organizations, although we know that there are more settlements with significant tourism without registered TDM but existing clusters able to exploit local possibilities. The created model is demonstrated through a relatively developed touristic region (Balaton), which has already achieved significant results in the field of institutional development. Although the situation of TDM organizations is still uncertain, but the already existing more than 100 registered bottom-up, civil based organizations prove that they help in developing the regions

In 2010, the Xellum Consultant and Services Ltd. has created its own destination effect-model (DEM), which was later used in the case of Héviz as well. The modell – besides applying the usual touristic data – investigates the social, economic tasks of tourism on the basis of favourable and unfavourable conditions of the given settlement.

The DEM mostly provides answer for what sort of further economical process – eg. further production and services – would be generated by the typical economic process of tourism after a determined period.

Moreover, it scrutinizes the created direct and indirect budgetary revenues and its effects on employment data.

The touristic complex indicator would fit into the DEM modell, which would allow a greater scope for analysis, research and the determination of future effects.

The expected results, the target and priorities can simply be determined on the basis of the above presented problem-tree. In case of its large-scale application, the importance of tourism and touristic development, the role of tourism in the region's economic and social life can be simply expressed. This results in the creation of an indicator that clearly presents the situation and circumstances of the sector and makes the given settlements comparable.

Moreover, it encourages participants of tourism and the decision-makers – besides cooperation – to pay attention to the long-term sustainability of the destination. Last but not least, we also believe that if stakeholders receive more exact market information, than they will receive valuable input from the TKM organization, and this factor shall increase the faith in the credibility of the statistic system which would result that supply of statistic data would no longer be a burden.

Appendix

1. List of indicators, components and resources

Indicators	Components	Resources
Number of active corporations and unincorporated enterprises per 1000 inhabitants	Economy	
Number of active corporations and unincorporated enterprises in industries accommodation and food service, per 1000 inhabitants	Economy	
Number of active corporations and unincorporated enterprises in service's industries, per 1000 inhabitants	Economy	
Percentage of active corporations and unincorporated enterprises in service's industries	Economy	
Percentage of water conduit dwellings	Infrastructure	
Pecentage of public sewerage conduit dwellings	Infrastructure	
Length of closed public sewerage, per one kilometer water conduit network	Infrastructure	
Consumption of electricity per houselhold consumer	Economy	
Tax revenues of local governments, per 1000 inhabitants	Economy	
Industrial production tax, per 1000 inhabitants	Economy	
Local tourism tax per 1000 inhabitants	Tourism	
Personal income tax revenues, per taxpayer	Economy	
Access to the nearest motorway	Infrastructure	
Access to the nearest frontier crossing point	Infrastructure	
Distance from the capital	Infrastructure	
Percentage of the local public roads with solid surface	Infrastructure	
Length of local bicycle road	Infrastructure	
Distance from "Sármellék" airport	Infrastructure	
Number of employees, per 1000 inhabitants	Employment	
Number of employees, per 1000 inhabitants in service industries per 1000 inhabitants	Employment	Central Statistical Office
Number of employees, per 1000 inhabitants in accommodation service industry	Employment	
Number of employees, per 1000 inhabitants in food service industry	Employment	
Percentage of household without any employees	Employment	
Percentage of employees of inhabitants	Employment	
Daily incoming commuters of employees	Employment	
Difference of incoming and leaving commuters, per 1000 inhabitants	Demography	
Distance between home and place of work of commuters	Demography	
Number of inhabitants	Demography	
Change of the number of inhabitants 2000-2013	Demography	
Percentage of economically active population	Demography	
Migration differences, per 1000 inhabitants, 2005-2013	Demography	
Visitors in museums	Attraction	
Area of protected (conservation) nature parks	Attraction	
Number of commercial accommodation units	Tourism	
Room- occupancy rate in commercial accommodation units	Tourism	

Indicators	Components	Resources
Average daily rate in commercial accommodation units	Tourism	
Number of guest-nights in commercial accommodation units, per 1000 inhabitants	Tourism	
Average length of stay in commercial accommodation units	Tourism	
Number of other accommodation establishments, per 1000 inhabitants	Tourism	
Number of beds in other accommodation establishments, per 1000 inhabitants	Tourism	
Guest-nights in other accommodation establishments, per 1000 inhabitants	Tourism	
Number of shops and stores, per 1000 inhabitants	Economy	
Number of restaurants, per 1000 inhabitants Vendéglátóhelyek 1000 lakosra	Economy	
Average length of stay in commercial and other accommodation units	Tourism	
Number of non profit accommodation establishments, per 1000 inhabitants	Tourism	
Number of beds in non profit accommodation establishments, per 1000 inhabitants	Tourism	
Number of guest-nights in non profit accommodation establishments, per 1000 inhabitants	Tourism	
Average number of open days of commercial accommodation establishments	Tourism	
Tourism Confidence Index of local population	Tourism	
Number of daily visitors, per 1000 inhabitants	Tourism	
Number of tourist visitors, per 1000 inhabitants	Tourism	
Percentage of returning visitors	Tourism	
Spending of visitors, per inhabitants	Tourism	Interviews
Spending of daily visitors, per inhabitants	Tourism	
Spending of tourists, per inhabitants	Tourism	
Average length of tourists	Tourism	
Percentage of satisfied international visitors	Tourism	
Percentage of satisfied national visitors	Tourism	
Number of ports for ships with time table	Tourism	
Number of ports for sailing	Tourism	
Number of seasonal working places, per 1000 inhabitants	Employment	
Percentage of second homes	Tourism	Local government
Visitors of bath and beaches, per 1000 inhabitants	Tourism	
Number of visitors of visitor's centers, per 1000 inhabitants	Tourism	
Open days of cultural- and gastronomy events	Tourism	TDM
Open days of scientific and sport events	Tourism	organizations
Percentage of business in TDM organization	Tourism	
Open days of Tourinform bureaus	Tourism	
Lengh of season, days	Tourism	
Number of qualified spas	Tourism	Local governments
Spending of local govermant on tourism	Tourism	
TCI		

References

Assaf & Josiassen (2012): Identifying and ranking the determinants of tourism performance In: Journal of Travel Research, vol. 51/4, p.388-399.

Aubert Antal, Berki Mónika & Szabó Géza (2010): A TDM-modell térségi szintjei és lehatárolásuk módszertana. In.: Aubert - Béres - Kurucz - Nagy (szerk.): Pécsi Tudományegyetem Illyés Gyula Főiskolai Kar Tudományos Közlemények XI-XII., p.13-26.

Aubert Antal & Szabó Géza (2011): Magterületek. In: Dávid Lóránt: Magyarország turisztikai régiói. JPTE TTK FI, p.1-20.

Bailey, Eric & Richardson, Robert (2010): Research Paper A new economic framework for tourism decision making. In.: Tourism and Hospitality Research vol. 10/4. p. 367-376.

Bublik Bence & Nyeste András (2014): Fejlődő és leszakadó járások: Magyarország társadalmi-gazdasági profilja (MKIK GVI Kutatási füzetek), Gazdasági- és Vállalkozáskutató Intézet

Dredge, D. (1999): Destination place planning and design. *Annals of Tourism Research* 26 (4), 772-791

Faluvégi Albert (2000): A magyar kistérségek fejlettségi különbségei. In.: Területi Statisztika 40/4

Faluvégi Albert & Tipold Ferenc (2012): A társadalmi, gazdasági és infrastrukturális szempontból elmaradott, illetve az országos átlagot jelentősen meghaladó munkanélküliséggel sújtott települések. In.: Területi Statisztika 52/3

Fernandes, Carlos (2011): Cultural planning and creative tourism in an emerging tourist destination In: International Journal of Management Cases. vol. 13/3, September p.629-638.

Garrod, B, Wornell, R. & Youell, R. (2006): Re-conceptualising rural resources as countryside capital: The case of rural tourism. In.: Journal of Rural Studies 22/1

Ilk Balázs Ferenc (2010): A Dél-Dunántúli régió településeinek komplex fejlettségi elemzése néhány kiemelt mutató tükrében. In.: Acta Scientiarium Socialium; 32 Kaposvári Egyetem

Dr. Kincses Áron, Dr. Michalkó Gábor & Dr.Tóth Géza (2014): Magyarország átutazó forgalmában érintett települések lehatárolása In: Területi Statisztika, 54 évf./3. szám, p.237-252.

Lengyel Imre (2006): A regionális versenyképesség értelmezése és piramismodellje. In.: Területi Statisztika 46/2

Lukovics Miklós & Kovács Péter (2011): A magyar kistérségek versenyképessége. In.:Területi Statisztika 51/1

Mamente, Mara (2008): Destination management and economic background: defining and monitoring local tourist destinations. In: International Conference of Tourism : Knowledge as value advantage of tourist destination; Malaga, 29-31 October, Central paper, Session TourismDestinationManagement. http://statistics.unwto.org/sites/all/files/pdf/manente_eng_0.pdf; 2014.10.20.

Nagy András (2012): A fejlettség, elmaradás mérése a magyar területfejlesztési politikában – PhD értekezés. In.: Országos Doktori Tanács - ELTE Földtudományi Doktori Iskola

Pike, S & Page, S (2014): Destination Marketing Organizations and destination marketing: a narrative analysis of the literature. Tourism management. 41 202-227

Puczkó László (2014): Hévíz turizmusának hatásai a Desztinációs Hatásmodell alapján. In.: Turizmus Bulletin, XVI.évf. 1 szám p.32-41.

Ringbeck & Pietsch (2013): How to succeed as a tourism destination in a volatile World. In: World Economic Forum (publ.): The Travel and Tourism competitiveness report, 2013. chapter 1.2, p.43-47. http://www3.weforum.org/docs/TTCR/2013/TTCR_Chapter1.2_2013.pdf; 2014.10.20

Szűcs Antónia (2014): Komplex mutatók a Gyöngyösi kistérség mezőgazdasági földhasználatában. In.: Területi Statisztika 54/3

Tóth Géza (2014): Az agglomerációk, településegyüttesek lehatárolásának eredményei. In.: Területi Statisztika 54/3 (2014)

Tóth Géza (2014): Települési versenyképességi index képzése (kézirat)

Call for expression of interest for The Participation in the Testing of the European Tourism Indicator System (ETIS): For destination management at destination level Pilot Phase2 (April 2014-December 2014), European Commission, 5th February, 2014. http:// ec.**euro**pa.**eu**/DocsRoom/documents/4229; 2014.10.30.

European Commission: The European Tourism Indicator System TOOLKIT For Sustainable Destinations 2013

Matematikai és statisztikai módszerek alkalmazási lehetőségei a területi kutatásokban. Szerk.: Sikos T. Tamás, Budapest, Akadémia Kiadó, 1984

OECD – European Commission, Handbook of constructing composit indicators: Methodology and user guide OECD, 2008

TDM működési kézikönyv. Szerk.: Lengyel M. Heller Farkas Főiskola, Budapest, 2008

Volgger, M & Pechlaner, H (2014): Requirements for destination management organizations in destination governance: Understanding DMO success. *Tourism Management* 41 (2014) 64-75

World Economic Forum (publ.): The Travel & Tourism Competitiveness Report 2013

http://www.weforum.org/reports/travel-tourism-competitiveness-report-2013; 2014.10.20.

WTO (2011) Handbook on e-marketing for tourism destinations. Madrid: World Tourism Organization

ORGANIC TOURISM AS A TOOL TO RAISE HEALTHY TOURISM DESTINATIONS: AN INVESTIGATION IN TURKEY

Kaplan Uğurlu

Kirklareli University, Department of Tourism Management, Faculty of Tourism
Kirklareli Universitesi, Turizm Fakültesi, Kirklareli

Abstract: The aim of the paper is to specify the items that effect the importance of organic tourism both for human life and sustainable tourism destinations. The fundamental point of the study is to focus on organic farming both as a tool for welfare of the destinations and their importance and potential for the upcoming future of healthy generations using the data collected from segments of the society such as administrators, non-governmental organization members and farmers. The study is also based on an extensive secondary research analyzing the diverse literature regarding the organic/ecological/sustainable/destination tourism. The results are supplemented by semi-structured interviews. To date, many people have been interested in visiting villages and having an experience in living farms. This tourism activity is combined with facilities to create potent economic force to small villages. Besides, consuming organic food is one of the most important attitudes to live healthier and longer by being or working in the farms or villages as a visitor which creates a new era in tourism named as organic tourism. Organic tourism primarily targets tourists, tours organized for the purpose of health, relaxation activities, agriculture education, culture and gastronomy. The research offers a practical help for farmers, local governors, local people (especially villagers), tour operators and visitors fleeing from the intensity of city life in the light of the findings.

Keywords: Organic tourism, Farm tourism, Food tourism, Sustainable tourism, Tourism destination

Introduction

Tourism is for people who travel, to know different cultures, lodging, eating and drinking, having fun, including activities such as recreational, social, cultural and economic events. All are connected to the natural and cultural resources activity. These resources are very important for human-being; today and tomorrow. It is very important to ensure sustainability. In order to ensure living of human life depends on the presence of sustainable development in all sectors including tourism. A country's natural, cultural, historic resources, social and aesthetic values, essential ecological processes and biological diversity are necessary to prevent damage and ensure sustainability in tourism. In this way, attractiveness of countries will be provided continuously. Sustainable tourism is tourism development that avoids damage to the environment, economy and culture of the locations where it takes place. The aim of sustainable tourism is to ensure a positive experience for local people; tourism companies; and tourists themselves.

Organic tourism can be used as a tool for sustainable development of a destination in minor territory and whole country. Origin of organic tourism comes from ecotourism. Ecotourism is exclusively focused on nature, culture and farms which are part of this nature and culture. When ecotourism evolves around organic products is referred to organic tourism. Organic farms offer an additional economic resource for environmental farms and their protection. When farms convert its agriculture to organic management and are managed well, it may develop some other connected tourism activities. If organic farms organically managed, they can increase the motivation for tourists' visits. Organic farms can become economically viable if quality products are produced and marketed and income is supplemented by tourism activities, especially in areas of nature and culture. Organic farms are also vital for human health because organic foods are produced without conventional pesticides; fertilizers made with synthetic ingredients or sewage sludge; bioengineering; or ionizing radiation. Before organic foods get to your local supermarket or restaurant must be certified organic, too. Organic farming methods which have also been shown to be for safer environment since there are not any synthetic chemicals, antibiotics and hormones in the production.

Organic tourism is an organic farming system used in tourism business but it is also subject to health and agriculture sectors. Consumers from industrialized countries are increasingly interested in buying food and animal products free of pesticides and other chemicals. Organic tourism is a good business venture on a working farm which offers lots of activities for visitors such as educational, recreational and fun experiences while generating supplemental income for the owner. Visitors friendly participate in learning activities in natural or agricultural settings. While they are testing organic foods, they also learn and make organic products with fun. It is sure that visitors who experience farm living are more considered with natural and health life afterwards. It is called organic tourism or as some calls agrientertainment, agritainment, or farming tourism. Demand of organic tourism is growing day by day.

In this study, I will concern on the importance of organic farms for human health, environment, business, and welfare of local economy. I will make an assessment on how to use organic farms for tourism purposes. In order to understand the specific subject, I will investigate some applications in Turkey considering and comparing some other applications worldwide.

Theoretical Framework: Organic Tourism within Alternative Tourism Products

Tourism is synthesized from mass and alternative tourism. Mass tourism is characterized by large numbers of people who seek holidays relevant to their culture in popular resort destinations. Alternative tourism is sometimes referred to as "special interest tourism" or "responsible tourism" and it is usually taken to mean alternative forms of tourism which give emphasis on the contact and understanding of inhabitants' way of living and the local natural environment (*Smith & Eadington* 1992). Alternative tourism can be broadly defined as "forms of tourism that is made to be friendly to the environment and to respect social and cultural values of the communities, and which allow both hosts and guests to enjoy positive and worthwhile interaction and shared experiences" (*Wearing & Neil* 2000).

The concept of sustainable tourism creates alternative tourism activities depending on nature named such as nature tourism, agritourism, rural tourism, ecotourism, farm tourism, food tourism and organic tourism. As many terms are used under the rubric of alternative tourism or sustainable tourism, it is needed to analyze the differences between these descriptions:

Nature-based tourism is a type of tourism based on natural attractions of a destination. For instance; trekking, hiking, bicycling, fishing, hunting, camping, visiting parks and forests, caving, stargazing, bird watching, photography etc. Nature provides lots of incentives for local people and tourists who visit a destination. Destinations have habitats and culture for those people and people have the responsibility to conserve all what nature has within the destination. While local people as landowners already live in the destination, experimental tourists are interested in a diversity of these natural and cultural resources here. These people spend their holidays and expect to have amazing experience at the destination with local people, culture, history, gastronomy and so on. Interest in nature-based tourism is rooted in a growing understanding among landowners that providing recreational opportunities for emerging markets of experiential tourists is another important way to derive economic benefit from the natural resources found on private lands.

Rural tourism can be defined as the "country experience" which encompasses a wide range of attractions and activities that take place in agricultural or non-urban areas. Its essential characteristics include wide-open spaces, low levels of tourism development, and opportunities for visitors to directly experience agricultural and/or natural environments (*Irshad* 2010). Rural tourism is not just farm-based tourism. It includes farm-based holidays but also comprises special interest nature holidays and ecotourism, as same activities as nature based tourism. Rural tourism is located in rural areas. It is more traditional and cultural. It comprises natural, cultural and historical heritages, village life, organic foods, less developed and small region and small and less modern houses for people and barns for animals. People who live in rural areas deal mostly with agriculture, their life and work place is rural area and whatever they have they supply from nature of rural area. People who visit rural areas for touristic matter wish to visit villages and farms with purpose of enjoyment, education or having experience of rural life. Rural tourism income supports social and economic life of farmers and as well as development of agriculture and villages of rural premises.

Ecotourism is a form of nature-based tourism that strives to be ecologically, socio-culturally, and economically sustainable while providing opportunities for appreciating and learning about the natural environment or specific elements thereof (*Weaver* 2009). This definition combines three criteria about ecotourism. First, ecotourism is a form of nature-based tourism because the focus of attraction is natural environment (e.g., a rainforest or grassland) or specific components. Secondly, ecotourism emphasizes learning as an outcome of the interaction between eco-tourists and the natural environment. In this way, ecotourism is differentiated from nature-based tourism activities that are more leisure based (such as the classic "3S" vacation of sea, sand, and sun) or those that are adventure oriented (such as trekking, climbing, rafting, etc.).

Honey (2008) also states that "although often equated with nature tourism, ecotourism, properly understood, goes further, striving to respect and benefit protected areas as well as the people living around or on these lands". With these somewhat opaque definitions in mind, it is important to separate ecotourism from an emerging "greening" of tourism generally. *Honey* (2008) stresses the additional components of education and experience as essential to ecotourism proper as well as engagement and conservation of nature and environment for local communities, present and future. Ecotourism activities occur in nature area and ventures impact on the lives of people living in, and around, the environments which eco-tourists frequent. Local people share equitably in the benefits emerging from ecotourism activities. Ecotourism therefore created rural entrepreneurship that emerged small rural business and ecotourism contributed to development of rural regions. Local people, on the other hand, use the earnings for the development of their agriculture business. It should be considered that impact of ecotourism on local people can be seen at the level of social, economic, psychological and political issues. As long as ecotourism is beneficial for regions, interest to ecology and ecotourism will grow.

Farm tourism is a sub-sector of rural tourism and also associated with the agricultural tourism. According to *Roberts and Hall* (2001), farm tourism is one of the five categories of rural tourism, the others being ecotourism, cultural, adventure and activity tourism. The broader sector of rural tourism can be defined as tourism activity in rural areas and has different meanings in different countries. *Hill, D., E. Sunderland, C. O'Cathain and G. Daly* (1996: 50) define rural tourism as "the natural life tourism, through which the customer may access the natural environment as opposed to commercially developed tourist activities and locations".

Rural tourism has been initiated to satisfy tourists who are seeking healthy, active, relaxing and culturally valid experiences to escape urban crowds and stressful workplaces. The term "farm tourism" is used in some regions or countries with agrotourism or agritourism. Whatever the label, most often it refers to "rural tourism conducted on working farms where the working environment forms part of the product from the perspective of the consumer" (*Roberts and Hall* 2001). Farm tourism may include accommodation, food and beverage outlets, farm visitor centres, galleries and museums, farm shops for products and crafts, guided walks and farm trails, educational visits, farm activities, such as mustering, fruit picking, horse riding and fishing. Farms are managed by the owner/farmer with help from the family household. Tourism is usually secondary to the farm activities.

Agritourism is similar to farm tourism or rural tourism. Agritourism is also known as "agrientertainment," "agritainment" or "agrotourism." Agritourism is a business venture on a working farm, ranch or agricultural enterprise that offers educational and fun experiences for visitors while generating supplemental income for the owner (farmer or agricultural producer).

Agritourism can provide learning activities and entertainment to visitors in natural or agricultural settings. It can also provide some benefits to farmer. For instance; cash flow during the off-season, opportunity to sell the "experience" of agricultural venue, opportunity to sell products grown and harvested in farmer's agricultural operation and opportunity to share farmer's passion of agriculture with others.

Food-Tourism is an appealing factor in the marketing of different destinations which increases the destination value and prominence. Food can grant success, tranquillity, thrill, status and lifestyle (idosi.org).

The term of food includes requirements for both culture and people. It marks social differences and strengthens social bonds. Common to all people; yet it can signify very different things from table to table. Food is a part of customs which shows culture of a community with its customs, beliefs, consumption attitudes and spiritual rituals such as birth, weddings ceremonies etc. Purpose of journeys of some tourists is the food. They wish to taste flavours that are particular to the destination where they decide to visit. They wish to be involved in these local delicacies and find out the stories behind them. During their journey they will get pleasure to see, hear and taste that entire destination offer them as food tradition. After all, new food routes will be created for new tourists who journey for gastronomic reasons. Food tourism, therefore, considered with gastronomy tourism and culinary tourism which may resemble. Even more, it is considered with wine tourism as well. Since gastronomic tourists experience foods in farms, this form of tourism also can be categorised as sub-sector of farm tourism, too. So it may be said that food tourism cannot be separated from these forms of tourism.

Organic tourism based on agriculture and carries similarities with agritourism. Agritourism helps preserve sustainable nature and rural lifestyles. Organic agriculture is a cultural evolution that finds its origins in an environmentalist culture. Furthermore, the focus on these products is due to demand on healthy foods with high quality standard limiting chemical substances usage. The link of the organic agriculture with agritourism and tourism services is quite clear. Organic tourism is a kind of tourism that brings the visitors in direct contact with agricultural activities at organic farms. They have a considerable role in the future development of rural areas.

Until recently, tourists were looking for comfortable luxury hotels and their locations. Now, they are looking for suitability of natural life rather than stars or luxury of the hotels. This situation has brought a new concept of tourism: *Organic tourism*. Holidaymakers prefer comfortable but simple, clean and unpretentious preferences, while they wish to get up early in the morning and collect tomatoes, cucumbers and peppers from the garden for their breakfast. Holidaymakers now are in search of new expectations. They do not care more about how the hotels promise a lot of fun, how they are comfortable or where they are located but they are more considered about how the hotels have sensitivity to the environment and people. So, they are looking for healthy places to stay, eat and visit. People try to find places to stay, which do not use toxic cleaning products, and organic eateries from restaurants and delis to groceries serving organic foods, location of local farmers markets, and even pesticide-free parks. Organic tourism producers or sellers highlight the term "organic" on their advertising. They guide and suggest to holidaymakers for organic farms, organic foods, organic wineries, natural food markets, eco or green hotels, natural and eco-friendly attractions, and more.

Today, farmers and tourism investors realized that organic farming is a kind of sustainable tourism and also good solution for agricultural development. Organic farming is a farming method without using any pesticides or synthetic fertilizers. The methods that are used are usually centuries old and include crop rotation, using animal manure or compost as fertilizer and natural methods such as plant extracts and mixed cultivation of plants to protect the crops from diseases and harmful insects. The main idea is to promote as much biodiversity as possible, so that the crops are less vulnerable to any infections. In simple words, if you have a field full of corn and a plant disease or insect that likes corn comes along, your whole crop is doomed. If, on the other hand, you have a field with many different sorts of plants, insects and animals, both cultivated and wild, the chance of a pest affecting you is much smaller. The ecosystem itself will maintain a balance (greencorfu.com).

As organic farming has grown, so has the interest of people in such projects. Many organic farms offer accommodation and food in the farm so that guests can see for themselves and even participate in the farm activities. The food served is also 100% organic and the truth is that food tastes much better if you have gotten your own hands dirty to help produce it! This shows that; not only holidaymakers, but also people who travel for business, conference or other reasons also prefer accommodations which provide organic products. And today not only farms but also five star hotels are applying organic tourism methods. For example, there are more than 200 organic (bio/eco/green) hotels in Italy and tours to Alps of Switzerland and Germany, which are favourite organic tourism destinations. These hotels have five star hotel comforts but the differences from other hotels are; products are 100% organic and staff and belongings are very sensitive to environment (http://www.turizm.net/turizmde-yeni-trend-dogal-tatil.html). Some applications of organic hotels use less plastic utensils, not plastic shampoo bottle (both offering glass bottle), tissue paper and plastic bags in the room, not wrapped in a piece of paper and rope connecting and bed linen, curtains, etc. that are made from organic yarn. They purify waste. They are careful to use water and energy wastes are avoided. Today's holidaymakers, businessmen realizes the importance of having and using organic life and therefore investments in the organic tourism is growing and demand to attendance of organic tourism too.

The Effects of Organic Agriculture to Human Health and Environment

"Organic" is defined by the USDA (United States Department of Agriculture) as food produced by farmers who emphasize the use of renewable resources and the conservation of soil and water to enhance environmental quality for future generations. Organic meat, poultry, eggs, and dairy products must come from animals that are given no antibiotics or growth hormones. Organic food is produced without using most conventional pesticides; fertilizers made with synthetic ingredients or sewage sludge; bioengineering; or ionizing radiation. (usda.gov).

Organic agriculture is growing very rapidly in industrialized countries as consumers are increasingly interested in buying food free of pesticides and other chemicals. But it may have its most important application in developing countries, particularly as the costs of fossil fuels, and the fertilizers and pesticides derived from them, continue to escalate, and as we enter a world where droughts are increasingly common and where water for irrigation is at a premium.

Organic agricultural methods are internationally regulated and legally enforced by many nations, based in large part on the standards set by the International Federation of Organic Agriculture Movements (IFOAM), an international umbrella organization for organic farming organizations established in 1972 (*Paull* 2010). The USDA National Organic Standards Board (NOSB) definition is "Organic agriculture is an ecological production management system that promotes and enhances biodiversity, biological cycles and soil biological activity. It is based on minimal use of off-farm inputs and on management practices that restore, maintain and enhance ecological harmony." (*Gold* 2014). *Lampkin* (1999) also defines organic farming as "a viable, environmentally and socially sustainable method of agricultural production" using no synthetic chemical fertilizers or pesticides. Reliance on external inputs is extremely reduced while maximum use is made of farm-derived resources and natural products and processes are employed for plant nutrition and pest control. The same principles are applied to livestock breeding and rearing practices where animal welfare is safeguarded. Moreover, organic farming provides consumers with quality products that are healthy, have natural flavours and fragrances, and contain no harmful residues while contributing to maintain and enhance soil fertility and biodiversity.

Organic farms work in harmony with nature rather than against it. Farmers use techniques to achieve good crop yields without harming the natural environment or the people who live and work in it. These methods are used for preserve natural resources and biodiversity, support animal health and welfare, provide access to the outdoors so that animals can exercise their natural behaviours, receive annual onsite inspections, separate organic food from non-organic food, to keep and build good soil structure and fertility, to control pests, diseases and weeds, careful use of water resources and good animal husbandry.

One of the most significant expositions of the aims and principles of organic farming is that presented in the International Federation of Organic Agriculture Movements basic standards for production and processing (IFOAM, 1998); these are presented in *Table 1.* As the statement makes clear, the scope of the principles extends beyond simple biophysical aspects to matters of justice and responsibility.

The Effects of Organic Agriculture to Sustainable Development of Tourism Destinations

One of the important functions of tourism is food and beverage products and services. People now also travel just for purpose of having experience of food culture of the destination. If this gastronomic purpose of travel reaches healthy, enjoyable and comfortable original products and services, it might be considered as an organic product and service which travellers have always been looking for. Gastronomic tourists are more interested in health and healthy eating and drinking while they are travelling. They desire to experience different culinary culture, eating fresh, organic and healthy local foods. Some of them especially visit the destination to have experience of local tastes as well as participate to production and/or cooking the foods what they eat. Someone who may participate in one or more culinary or wine activity, other may collect to tomatoes, peppers, cucumber for their own breakfast. During their visits to the destination they may involve in driving on a wine trail, gourmet food shopping, or dining out in a local restaurants or hosted by a local resident. Their common expectations are; having a unique and memorable experience while trying the good food and beverages.

Table 1. The principle aims of organic production and processing

To produce food of high quality in sufficient quantity.
To interact in a constructive and life-enhancing way with natural systems and cycles.
To consider the wider social and ecological impact of the organic production and processing system.
To encourage and enhance biological cycles within the farming system, involving microorganisms, soil
Flora and fauna, plants and animals.
To develop a valuable and sustainable aquatic ecosystem.
To maintain and increase long term fertility of soils.
To maintain the genetic diversity of the production system and its surroundings, including the protection of plant and wildlife habitats.
To promote the healthy use and proper care of water, water resources and all life therein.
To use, as far as possible, renewable resources in locally organised production systems.
To create a harmonious balance between crop production and animal husbandry.
To give all livestock conditions of life with due consideration for the basic aspects of their innate behaviour.
To minimise all forms of pollution.
To process organic products using renewable resources.
To produce fully biodegradable organic products.
To produce textiles which are long-lasting and of good quality.
To allow everyone involved in organic production and processing a quality of life which meets their basic needs and allows an adequate return and satisfaction from their work, including a safe working environment.
To progress toward an entire production, processing and distribution chain which is both socially just and ecologically responsible.

Source: IFOAM (1998)

Food and beverage is important products for visitors who wish to taste and experience local one. Tourism establishments of tourist destinations therefore are serving especially local organic food and beverages as an important tourist attraction and enhances or putting it central to visitor experience.

Gastronomy/Culinary tourism is an alternative touristic attraction for the destinations. It can differentiate the destination from others. If the local people and management support agriculture at the destination, the destination's image and brand value through produced organic products may increase.

Other benefits of organic agriculture to development of destinations are:

- Organic product producers or firms will be well-known in both home country and international.
- Export of organic products will increase and foreign exchange earnings will be achieved. In this way, the people and the country's share of national income and wealth levels will rise.
- Due to organic products; competitiveness of companies will increase sales, profits and market share in international markets; so this will make contribution to the national economy.
- Producers and sellers of organic product will gain international brand, so the region will be well-known in international market. Some gastronomic tourists may be expected to be travelled to the region as well.
- Agricultural products according to their types, which generally depend on and consist water inside, with organic production, will avoid some corruption and devaluation of productions, so producers will increase their earnings.
- Agriculture sector is such a outdoor factory, production is limited in spring, summer and autumn months only. Farmers are able to work during these months. Organic agriculture can provide new business opportunities for a longer time period, is a great contribution of organic agriculture in employment.

Organic Tourism in The World and in Turkey

Organic tourism depends on organic agriculture. Organic agriculture refers both health of human and welfare of local business. From this point, organic agriculture or organic tourism both has same responsibilities and therefore together with tourism which can be called as responsible tourism are the fastest growing sectors in the world. Organic agriculture studies were started professionally by IFOAM (International Federation of Organic Agriculture Movements) first in Germany in 1972. IFOAM is the first in the world that defines the rules for the organic production. The first legal regulations in the European Union (EU) took effect in 1991.

According to developments in organic agriculture around the world, as far as demand is concerned, a new genre of tourists (gastronomic tourists) has emerged. For example; the main sources of gastronomic tourists are Europe and North America, with the largest populations coming from the United States, France, Italy, Germany, Spain, the Netherlands, and the UK. In Wales, at least 150 organic producers are involved in some form of agri-tourism offering accommodation and meals with local and/or organic produce and frequently providing employment opportunities for local people (*Wacher* 2007).

The US government has implemented several regional and state-wide development projects to increase the effectiveness of rural tourism/farm activities. The Australian and UK governments have also offered a wide range of products and services to promote tourism in the rural areas (agric.gov.ab.ca). Some destinations in tourism world has brand image connected to gastronomic values. Since organic agriculture is grown sector, organic tourism is developed in Australia, Argentina, USA, Brazil, Spain, Chine, Italy, Germany, Uruguay and France. Some other countries like Greece, Poland, Portugal, Belgium, Austria, Peru, Mexico, Chile, Peru, Indonesia, Bali, New Zealand, Japan, Malaysia, South Africa and Singapore is also important rural tourism destinations in the world. It is significant, for example, that the Mediterranean diet of Spain, Greece, Italy and Morocco was included in UNESCO's list of Intangible Cultural Heritage of Humanity in November 2010 (UNWTO, 2012).

Culinary tourist segment is now viewed by governments and alternative tourism producers. Studies have documented the strong impact that food experiences can have on local economies (Richards, 2012):

*"**Italy:** The Wine Tourism Observatory found that the average wine tourist spent almost EUR 200 per day in 2010, higher than the EUR 55 per day that the average domestic Italian tourist spent. The five million Italians who engage in wine tourism in Italy generated up to EUR 5 billion in 2010.*

***Ireland:** In 2009, EUR 2 billion was spent on food and drink by tourists, with food and drink representing 36 percent of total visitor expenditures. Overseas visitors accounted for 60 percent of the total.*

***Barcelona, Spain:** Around 30 percent of tourism-related expenditures in Barcelona are towards cuisine. The importance of food led to Barcelona's Year of Gastronomy in 2005 and 2006, where over 300 activities were developed for tourists.*

***Ontario, Canada:** In 2010 the food sector in Ontario had annual sales of CAD 22.5 billion and employed 404,000 individuals. Of the annual sales, tourists spent almost CAD 2 billion on food and drink, with "deliberate culinary tourists" accounting for almost 50 percent of that.*"

Organic tourism has been developed all around the world according to agricultural development and sustainable tourism targets of governments. Italy (Rocky Italian vineyards at Mountain ranches), Taiwan (island's tea plantations), Mallorca (luxury farmhouses in the middle of orange or fig groves), Grenada (the place of nutmeg, mace, cloves, cinnamon and turmeric within organic farms with Caribbean-based farm experience), Brazil (developing farm-based economy), Hawaii (coffee plantations in the Big Island's Kona region and organic farms on the island of Oahu), California (wineries and vineyards of the Central Coast and Sonoma areas) and Philippines (huge pineapple plantation, orchid farms, bee farms and exotic tropical produce such as dragon fruit or papaya) are some important organic tourism destinations in the world.

Despite popular agritourism destinations mentioned above, there are some other important countries in Europe should be considered within alternative tourism as well. Hungarian, Romanian, Austrian, German, Poland, Greece and Turkish farmhouses have been greatly developed in agritourism that may be connected to organic agriculture. Agritourism has been popular in these countries with their organic foods, traditions and cultures.

Ecotourism is growing in Turkey parallel to world ecotourism. It constitutes around USD 77 billion of the travel and tourism industry's global revenue and is continuously growing. Turkey has great potential for ecotourism since it is not only a natural peninsula but also 26% of its land is covered in forest (UNWTO, 2012). Turkish villages take important part for development of ecotourism and accordingly ecotourism protects Turkish villages by adhering to local customs and supporting the local economy. The Ministry of Culture and Tourism and The Ministry of Food, Agriculture and Livestock are developing strategies to attract more visitors for rural tourism activities. There are many organic farms in Antalya, Burdur, İzmir, Datça, Bozcaada and in several other locations that host visitors.

One of the alternative holiday places preferred by tourists are ecological farms in a decade. Many regions of Turkey has these kinds of farms that provides vacation to all who prefers having ecological life experiences whether they can live for a while in the farm either voluntarily guest or customer. Volunteers perform unconditionally farm works like hoeing, collecting fruits or vegetables, milking the cow, etc. without any payment to the owner of the farm on the contrary customers have to pay fee for their performances and accommodations in the farms.

Regarding to vacations in the farms; a well known project in Turkey is "Eco- and Voluntary Knowledge and Skills Exchange on Organic Farms", organized by Bugday Association for Supporting Ecological Living. This project is called as TATUTA in Turkey which is the official member of ECEAT (European Centre for Ecological and Agricultural Tourism) for Turkey, the national WWOOF (World Wide Opportunities on Organic Farms) organization of Turkey, and an accredited EVS (European Voluntary Service- Supporting Youth Actions in Europe) organization. TATUTA project is combined with organic farms for the reason of tourism in Turkey. WWOOF is a worldwide movement linking volunteers with organic farmers and growers to promote cultural and educational experiences based on trust and nonmonetary exchanges helping to build a sustainable global community. WWOOFing is voluntary help in exchange for food, accommodation and learning opportunities in organic farming. Volunteers collaborate on the farm with their labor, knowledge, and/or experience for the duration of their stay. It is also possible to stay in the farm as a guest. Guests give monetary support directly (without intermediary) to the farm to compensate the host farm regarding accommodation and rendered services. Guests are not required to work.

This system is supposed to pay the membership fee is 30 Euro/person for those who want to vacation in all the farms (89 farms by October 2014) in Turkey and online directory for one year. If not paid any money to be made as a volunteer vacation, about 30 Euro payments per day compared to those who wish to make the holiday as a guest ranch. Organic tourist season is between March and November. However, the period of each farm's hospitality is different. Some farms accept the guests in the first four months of the year and some of them all year. Only organic farms can be member of TATUTA projects. There are criteria for being the member of TATUTA project. These farms have to suitable for organic farming system and architecture as well as having/producing organic products. Farmers can generate extra income by opening their homes/

farms to tourists/guests. There has to be accommodation or space for the visitors. They can independently do farm works or incorporate into the TATUTA project. Farmers do not have to pay for the project but they have to do some investment for organisation and establishments of the farms for the guests' comfort. The Farms which are suitable for organic tourism are shown in *Table 2:*

Table 2. Distribution of Organic Farms According to Regions in Turkey

Regions	Total Farms
Black Sea	27
Aegean	22
Mediterranean	14
Marmara	13
Central Anatolia	6
Eastern Anatolia	6
South-eastern Anatolia	1

Source: (tatuta.org)

Launched in 2004, TaTuTa has grown considerably. In 2011, overnight volunteers and guests increased from 2,822 to 3,035, and the total amount of overnight stays over its lifetime has reached 10,673. The majority of visitors hail from the US, Turkey, and the UK, with a firm representation from Germany, France, Canada, Australia, Holland, Austria, China, Czech Republic, and Brazil, among others. Visitors prefer mostly North, East and South regions of Turkey for farms. At West; Muğla's district of Fethiye, Datca, Marmaris, Ida Mountains (Kaz Dağları) which is located on the outskirts of Edremit Bay and its surroundings, at South; the springs and the region of Antalya, in the western Black Sea Region; villages of Istanbul, cities of Kastamonu, Bolu, Düzce, and Sakarya, in the eastern Black Sea region; the cities of Samsun, Ordu, Rize, Giresun, Trabzon and Artvin are not only ecological structure, are also preferred destinations for cultural trips.

Methodology

This study conducts qualitative research method. Interview technique on site is used to gather data. The study also employs literature information, such as catalogues, brochures, information books, and internet regarding the organic/ecological/sustainable/destination tourism. The research does not tend to explain numeric data. The results are supplemented by semi-structured interviews.

Semi-structured interview method is commonly used method by researchers since it is applicable to many research questions. Semi-structured interviews are preceded by observation, informal and unstructured interviews. Representatives of farms were involved in the study and observation during visiting farms and villages were also helpful to see organic tourism applications. Thrace region (part of European continent) of Turkey was chosen as research area where agriculture and livestock breeding is the main economic potential. Some farmers in the region have already been involved in tourism by renting a room to the visitors in their farm and selling organic products such as wine, fruit juice, olive oil, oil, yoghurt, cheese, honey, egg, meat, fermented sausage, sunflower, home-made bread, vegetables and fruits, etc.

Total six farms which are using organic farming methods and related to tourism activities are visited. Two of six is same as TaTuTa farms which are professionally dealing with organic farming, producing and selling organic products and renting farm houses to visitors. Palivor Farm has farm houses in the natural parts of Demirköy, Kirklareli, Turkey. Visitors rent a house and experiencing farm life as well as enjoying visiting natural environment during their stay in Palivor Farm. Palivor Farm is producing organic products and selling them in the organic product store in the farm. Visitors may tend to join activities such as natural photography, bird watching, hiking, riding, off-road, the bike tour, hunting. Food and beverages are unique gastronomy experience. Visitors are coming to Palivor for health and such reasons as getting pleasure from nature and on the other hand, owner of the Palivor Farm is also satisfied with the business they are running. Other farms, organic product producers and sellers and village people around the Palivor Farm are also hopeful for growing business.

Arcadia Vineyards is another big farm making natural and unique wines that reflect the mountainous region called Strandjas of Northern Thrace of Turkey. Farm is using organic production methods for wine production. Arcadia wines are all made from estate-grown fruit. In 35 hectares of vineyard we grow nine different types of grape: Cabernet Sauvignon, Cabernet Franc, Merlot, Sauvignon Blanc, Sauvignon Gris, Sangiovese, Pinot Gris, Öküzgözü and Narince. Arcadia Vineyards is open to public throughout the season. The tour event of Arcadia includes walks in the vineyards, visit to the winery, tasting and a pleasant and relaxing dinner in the Gazebo by the lake. The menu has been prepared to be an elegant expression of the local and gourmet tastes. Arcadia opens an agro hotel to activate farm/agro tourism with organic grape and wine production. All products of the hotel will be organic and all equipments will be compatible with nature. Hotel plans to open its doors to eco-tourists in summer 2015.

Other small farms are doing organic tourism unplanned ways. Their main job is farming however they always are producing more than adequate of organic foods (special local foods) and beverages (including fresh milk, fruit juice and wines) and collecting vegetables and fruits for the purpose of sales for visitors of their villages. Owner of the small farms all agree that they need sponsor and/or grant from Government to grow and innovate their farm business.

Results and discussion

Many farmers have turned into organic farming than conventional ones. The reasons that may come into mind first is pollution of soil, water and air as well as the increasing prominence of medication in the performance of agriculture.

However, while being economically more profitable, to be a good method of seizing the many opportunities have also been making organic farming more attractive. Organic farming may strengthen local economy, create job opportunities and new business, and as a result make great contribution to development of region. Governments today promote much more organic farming since it is not only essential for people's health, but also the development of regions and protecting the environment. People are now looking for organic products to consume and are interested in organic agriculture which may be the reason of creation of organic tourism, too.

Privitera (2010) highlighted the special characteristics of organic agritourism enterprises compared to traditional ones. Study indicates that the development and expansion of an agritourism sector, in particular organic, may be one alternative for improving the incomes and potential economic viability of small farms and rural communities, but it is by no means a remedy for all farms looking for additional income. This consideration could highlight chances and differences of this type of tourism. Changes in agricultural methods and needs of consumers will lead experimental and wonder to subculture of gastronomy. People will wish to join gastronomy tours for healthy food and consuming it where it has been produced. In any case, organic agriculture will create attractiveness and will cause trips to destination. Organic agriculture can contribute simultaneously to rural development and tourism as well as prevention of gastronomic culture and environment.

People are travelling for the reason which is memorable experience. Some of them chose gastronomy or rural tourism or other types of tourism. Many people are interested in visiting a working farm and having an “on farm” experience. As a result, growing number of farms have chosen to add elements of tourism to their operations. Some common examples of agriculture tourism include corn mazes, horse riding and pick-your-own operations. Considering the growing and more sophisticated demands of people, farmers are using organic agriculture in their farms. While people want to have memorable farm experience with healthy life style during their stay, farmers ,on the other hand, are earning money by presenting healthy food, accommodation, activities to visitors. Beneficiaries of organic tourism are not only for farmers and visitors. Its utmost contribution is to local destination and its residents. Its structural, technical and commercial aspects to destination are as important as its contribution to people’s health. Organic farming, on the other hand, is an important method for prevention of environment for healthy generation. Finally, organic tourism is related to implications of organic farming, will contribute to rural development, i.e. innovation, conservation, participation and integration. We should never forget that organic products have to be consumed for healthy generations.

References

Gold, M. (2014): *"What is organic production?"*. National Agricultural Library. USDA. Retrieved on 1st March,2014.

Green Corfu. (2012): *Eco Holidays, Agrotourism, Organic Farms*, September 2012 URL*: http://www.greencorfu.com/alternative-holidays/organic-holidays-agrotourism-bio-organic-farming-corfu/* access date 23.10.2014.

Hill, D., E. Sunderland, C. O’Cathain & G. Daly (1996): *Rural Tourism Development in Ireland. In Tourism and Hospitality Research: Australia and International Perspectives*, Proceedings of Australian Tourism and Hospitality Research Conference, Coffs Harbour. BTR, Canberra.

Honey, M. (2008): *Ecotourism and Sustainable Development: Who Owns Paradise?*, Island Press, Washington DC., p.4.

IFOAM (1998): *Basic Standards for Organic Production and Processing*. IFOAM Tholey-Theley, Germany.

Irshad, H. (2010): *Rural Tourism: An Overview*. Retrieved from *http://www1.agric.gov.ab.ca/$Department/deptdocs.nsf/all/csi13476/$FILE/Rural-Tourism.pdf*, access date 20.10.2014.

Lampkin, N.H. et al. eds (1999): *The policy and regulatory environment for organic farming in Europe*, Organic farming in Europe: Economics and policy Volume 1 (Stuttgart: University of Hohenheim, Department of Farm Economics)

Paull, John (2010): From France to the World: The International Federation of Organic Agriculture Movements (IFOAM). *Journal of Social Research & Policy*, *1* (2), pp. 93-102.

Privitera, D. (2010): *The Importance of Organic Agriculture in Tourism Rural, Applied Studies in Agribusiness and Commerc*e – APSTRACT, Agroinform Publishing House, Budapest.

Richards, G. (2012): *An Overview of Food Tourism Trends and Policies." Food and the Tourism Experience: The OECD-Korea Workshop*. OECD Print. OECD Studies in Tourism.

Roberts, L. & D. Hall (2001): *Rural Tourism and Recreation: Principles to Practice*, CABI Publishing, Wallingford, UK.

Smith V. & Eadington W. (1992): *Tourism alternatives, potentials and problems in the development of tourism*, Wiley, Chichester, p.18.

TATUTA (2014): *Organic Farm Visits in Turkey*, October 2014 URL: *http://www.tatuta.org/?p=18&lang=en*, access date: 29.10.2014.

Turizmnet (2010): Tourism News, New Trend: Nature Holiday, May 2010 URL: *http://www.turizim.net/turizmde-yeni-trend-dogal-tatil.html*. Access date: 21.09.2014.

UNWTO (2012): *Global Report on Food Tourism, World Tourism Organization (UNWTO)*, Madrid, Spain.

USDA (2014): *What is organic Agriculture?*, May 2014. URL:*http://www.usda.gov /wps/portal/usda/usdahome?contentidonly=true&contentid=organic-agriculture.html*, access date: 26.09.2014

Wacher, Carolyn (2007): *The Development of Agri-tourism on Organic Farms in new EU countries – Poland, Estonia and Slovenia: Report of a Winston Churchill Travelling Fellowship 2006*. Organic Centre Wales.

Wearing, S. & J. Neill. (1999). *Ecotourism: Impacts, potentials and possibilities.* Oxford:Butterworth-Heinemann

Weaver, D. B. (2009): *Cornell Hotel and Restaurant Administration Quarterly,* Retrieved from http://cqx.sagepub.com at Dokuz Eylul Universitesi, access date September 29, 2014.

ECONOMICAL ASPECTS OF THERMAL AND MEDICAL TOURISM

Veronika Fenyves, Dékán Tamásné Orbán Ildikó, Erika Könyves, Adrián Nagy & Fruzsina Sándor

University of Debrecen Faculty of Economics and Business

Abstract: Thermal and medical tourism in Hungary are characterised by a continuous development. The management, efficiency, operational effectiveness and offer of enterprises in the field of tourism influence the competitiveness of Hungary's tourism. In the present day economic life the thorough analysis of the enterprises' economy is indispensable. The result of the analytical methods applied by the report provide information for different stakeholders (owners, transporters, customers, employees, habilitators). The aim is to have data which inform us about the functioning, financial situation and profitability of the economic entities parallel with the factors and conditions determining these elements. In our paper we present the financial situation of the Demjén Thermal Spa Ltd., being one of the newest thermal spas of Hungary.

Keywords: financial situation, thermal spa, medical tourism, wellness tourism, investment

Introduction

Nowadays health plays a great role in people's life. In our rapidly changing world there is not always time to pay attention to one's health and to its preservation. That is why wellness tourism, being a type of tourism is quickly gaining ground. The healing power of thermal water has been known for centuries, however, it has come into the limelight only in the latest decades. Hungary is one of the internationally acknowledged traditional medical touristic destinations. Due to its exclusive richness in medicinal waters wellness tourism represents one of the most significant touristic attractions of the country. Medicinal water has been used for treating different illnesses for thousands of years. Thanks to social changes and transformation of lifestyle nowadays thermal spas become more and more popular. On the one hand life full of stress increases the demand for relaxation and recreation and the health-conscious way of life is spreading continuously. These lead to the popularisation of wellness. On the other hand, the role of traditional medical wellness is also getting stronger, as in the developed Western world life expectancy at birth steadily grows, thus the proportion of the elder is also increasing. They frequently need to treat their illnesses. Thermal spas play an important role in Hungary's tourism. The country has high-quality medicinal waters, however, several spas are not in the appropriate condition. Significant developments have taken place recently, as a result of which service quality greatly improved. The Demjén Thermal Spa Ltd. is such an enterprise, situated in the Eger micro region of Heves County, 10 kilometres from Eger in the Demjén Thermal Valley. The Demjén Thermal Spa Ltd. was opened for the public in 2007 by constructing a spa on 10 hectares, on a well from which thermal water springs from 690 metres. The effects of its 68 Celsius degrres water has a wide range, concerning its ingredients it has a high proportion of iron and silicon acid. The Thermal Spa and Aquapark serving experience and wellness tourism can take pride in 6 outdoor pools with thermal water, a swimming pool, a pool for children, and a wellness department. Apart from these, on the grounds of the spa visitors can find a self-service restaurant, a buffet and a pizza restaurant too. The Ltd. could realise the abovementioned developments from self-financing and credit. Thanks to the excellent quality of water and its role in medical science the number of guests has been increasing year by year. In the year of its opening the spa had 7000 visitors, by 2011 this number increased to 330 000. The management soon realised that it is worth expanding the capacities of the spa. The company finished the Hotel CASCADE**** Resort & Spa investment in 2012. The hotel was opened in December 2012. The aim of *establishing a superior medical and wellness hotel in the Demjén Thermal Valley* project is to be able to provide accommodation for those arriving at the spa and those guests coming for the cave bath. They aim to keep the visitors at the locale and meet the requirements of guests at a high quality level in any season. The project was realised in the confines of the New Széchenyi Plan North Hungary Operational Programme (NHOP) in the quality development of commercial accommodation and services section. There are 4 conference halls and 50 rooms in the hotel, out of which 4 are accessible for the disabled; altogether accommodation is available for 106persons. The company would like to meet primarily the requirements of wellness and conference tourism with the investment. Establishing more than 30 workplaces is an important segment of the project. The spa started the realisation of the CASCADE cave and experience bath in 2012, and opened it in 2015. The investment has been made possible by self-financing, credit and the financial sources of the New Széchenyi Plan. The development of wellness tourism is included in the strategic goals of the company together with the increase of national and foreign guest nights, the protection of medicinal water, the improvement of the environment, the boost of tourism in the village Demjén and the growth in the number of employees. On the basis of the annual report of the Demjén Thermal Spa Ltd. we present the effects of the investments carried out in the examined period of time on the financial situation of the enterprise.

Wellness tourism in Hungary

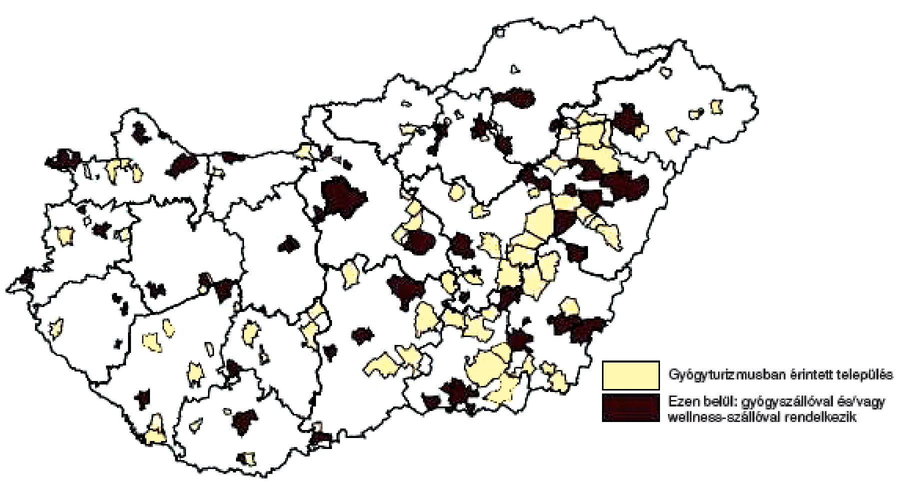
Nowadays wellness tourism is one of the most dynamically developing touristic product; in a market where Hungary possesses excellent natural resources in international context too. The word spa is said to be originating from Latin, from the expression “sanitas per aqua” – meaning health from water. Mostly health and physical wellbeing can be found in the centres of European spas; thus their visit nowadays does not exclusively have a physical and medical aim but qualifies as a relaxing and self- pampering activity. Concerning their history these places were considered rehabilitation institutions, where ill persons could have a bath. (*Smith-Puczkó* 2010.) Wellness tourism is a complex notion, which is difficult to define as there are significant differences on the international market between the wellness touristic policies of the countries. Generally it can be stated that it belongs to that segment of tourism where the guest’s main goal is the improvement and protection of their health. At present two sectors can be differentiated: wellness and medical tourism. Hungary has first-class endowment. Medicinal and thermal waters are important elements in its most significant natural resources. Internationally our country is one of those five where the highest number of thermal water springs can be found; besides us Japan, Italy, Iceland and France are also present on the market. (*Halassy* 2007.) Hungary has a significant quantity of thermal water and favourable geothermic conditions. Thermal water can be found on 80% of the country’s territory; these are not only of a high temperature, but have a high level of mineral content. Hungary is considered to be the 5th most significant country in this context after Japan, Iceland, Italy and France. Almost 1200 thermal water wells, 220 acknowledged medicinal, 195 acknowledged mineral water and 70 thermal spas can be found in Hungary. (New Széchenyi Plan: Healing Hungary – Health Industry Program, 2010.) Wellness tourism is that part of tourism which has a greater capacity for making profit. This originates from the fact that compared to average tourists the guests of medical tourism spend a longer time at one place: according to statistical data this means 13 guest nights instead of the average 3,7. They spend by 1,6 more money in the hotel compared to guests staying for other reasons. There are other advantages of medical tourism too, the most significant of which is the following: a more economic management can be realised, as this form of tourism is independent of the weather and the seasonal fluctuation, helping the underdeveloped settlements in development, creating possibility of work locally mostly for well-qualified professionals; the longer stay contributes to the creation of further services and options for entertainment. (*Bodnár* 2005.)

Wellness tourism and the related services have similar effects on environment as any other type of tourism. The influences of tourism can be grouped in three categories: economic, socio-cultural and environmental. Among economic effects employment, economy and living conditions appear as determining factors. Concerning the field of economy, it can be stated that health-tourists characteristically spend more as they are accommodated in high-category hotels for a longer period. Moreover they have resort to personal services which require human resources. Moreover, economic effects directly affect living conditions. Local inhabitants are glad of developing infrastructure, since several towns and villages have been made famous by their thermal springs. Popularity helps attracting more visitors and investors, thus development can be considered continuous, which has a positive impact. Concerning socio-cultural influences employment appears again, and cultural heritage should also be mentioned together with population and community. Employment creates new workplaces and the possibility for earning money, thus the whole community can profit from wellness tourism. Concerning environmental effects, flora and fauna play an important role, because if any negative transformation happens, the process can also change the natural resources in return. In the case of centres it is of vital importance to have an untouched environment, as it is part of the attraction of the locale. (*Smith-Puczkó* 2010.)

Medicinal and thermal spas in Hungary

The peculiarity of Hungary’s wellness tourism can be found mainly underground, as we have internationally unique geological conditions. As a result, the country has a significant amount of thermal water supply. Our country is sometimes called thermal-water-power, a label stemming not only from the excellent geothermic conditions but the mineral content of the thermal water (*Michalkó* 2007). Hungary offers ideal possibilities for those who would like to spend their free time and holiday in our bathing-resorts. Besides bathing, several cultural, sports and other possibilities are offered for recreation in the whole territory of the country. Several hundreds of thermal establishments await tourists and guests, who primarily use our water for bathing. Our thermal waters have a more varied mineral content compared to other countries and have a specifically positive effect on health. Concerning their benignity these waters are mainly appropriate for rheumatic illnesses, post-treatment of accidents and prevention of illnesses. Till 1956, 29 thermal spas were to be found in Hungary, at the moment this number exceeds 150, and they can receive as many as 300 000 guests. Only 1/6 portion of the spas are open during winter time and the number of qualified spas is really low. Thermal water can be found on the two third parts of the country, which means waters above the temperature of 30 Celsius degree. Thermal waters in Hungary can be gained from 18 metres underground, while the average depth in Europe is 33 m. Thus it is evident how favourable the conditions in Hungary are (*Bodnár* 2005.)

With the help of Figure 1 the settlements involved in medical tourism in 2012 in Hungary can be examined. In 2012 altogether 137 settlements possessed medicinal waters with different utilization. Their geographic situation is varied, they can be found in all counties, but these settlements are situated mainly east of the River Tisza, in Hajdú-Bihar, Jász-Nagykun-Szolnok, Békés and Bács-Kiskun Counties. All regions of the country and all but one counties are involved in medical tourism. 101 of the total are in towns, originating from their functional role and the exploitation of economic possibilities, since a town can develop better than a village. 55 of the settlements possess wellness or medical hotel, the number of these has increased steadily in the last two years. Half of the Hungarian population live in a settlement where medical tourism is present. (KSH, 2013) On the basis of the abovementioned we can say that medicinal and thermal spas are emphatic parts of national tourism. Most of the foreigners travel to Hungary because of the popularity of our thermal spas; at the same time we can say that Hungarians gladly visit national thermal establishments too thanks to the fact that the country has several thermal and medicinal springs with high temperature, high-quality content and ideal environmental location. The role of spas in healing is significant, it is justified by the fact that the Romans had already discovered and used thermal springs as locales of bodily and mental revival. Natural healing practices are widespread nowadays, which can help spas to operate more successfully. By studying medicinal and thermal tourism it was discovered that this type of tourism is more advantageous than traditional tourism, which motivates establishments to develop.



Settlements concerned in medical tourism
Among these: the ones having medical and/or wellness hotel

Fig. 1. Settlements concerned in medical tourism in Hungary (2012). Source: KSH, 2013

Possibilities of development for medical and thermal tourism

Tourism based on thermal springs primarily appears as business, characterised by a profit-oriented approach. The conscious development of spa centres is indispensable, as it is important for medicinal and thermal centres providing high-quality services to be established, because they are able to speed up the development of the whole branch. Now we present the financial supports provided by the Hungarian State or the European Union. Wellness tourism has got into the focus of touristic developments due to our excellent capacities and possibilities. Following the change of regime economic difficulties presented themselves in the country, which did not make it possible for the state to invest greater sums of money for the renovation of thermal spas and related hotels. However, in 2000 the country launched touristic developments, in which programme thermal spas were paid particular attention. Between 2001 and 2004, with the help of the Széchenyi Plan investments and developments were realised which increased the quantity and quality indicators of wellness tourism offers. During the programme 127 projects were financed in the value of 31 milliard HUF. As a result, investments in the value of 81 milliard HUF were realised on the whole territory of the country. The project consisted of 5 topics, namely the development of regional and micro regional spas, expansion of accommodation and medical capacities of spas and the establishment of wellness tourism education. The highest number of investment was carried out in the development of regional spas. (*Michalkó et al.* 2011.)

Negotiations between the European Commission and the Hungarian government were terminated in 2007 concerning the New Hungary Development Plan. This development plan designated operative programmes for 2007-2013 with the aim of improving the economic competitiveness, the ability of tourism for producing more income, and the creation of an attractive economic climate and neighbourhood. The New Széchenyi Plan Healing Hungary – Health Industry Program (2011-2013) considers wellness tourism the most important priority inside national tourism. In the confines of the programmes mostly the effects of tourism on quality of life were to be optimised. Between the years 2011 and 2013 approximately 2000 milliard HUF was available for Hungary from European Union sources, helping to improve the country's competitiveness and the expansion of employment. The Széchenyi 2020 development programme provides new European Union financial sources for the period between 2014 and 2020 with new goals. Among the latter wellness tourism is naturally included, as Hungary's capacities are perfect for the development of this branch in the future.

Material and method of analysis

The basic data for analysis was provided by the Demjén Thermal Spa Ltd's annual report, which was available from the governmental website: www.ebeszamolo.kim.gov.hu. Analytical methods are the analytical methods of financial status, which are the distributional coefficient, calculated from the data of the balance sheet.

The presentation of the Demjén Thermal Spa Ltd's financial status

The analysis of the enterprise's financial situation is made on the basis of the data from the balance sheet. It aims to present the enterprise's development as a result of comparing information about several years. The evaluation can be concluded by the thorough analysis of the balance sheet and the detailed analysis of certain items of the balance sheet. (*Pollert* et al., 2010) The movement of the assets of the balance shows the changes in the form of the assets, from the liabilities indicators of capital structure can be calculated, which answer the question of how much the enterprise is financed from equity and external capital.

Chart 1. The distribution of assets between 2011 and 2013

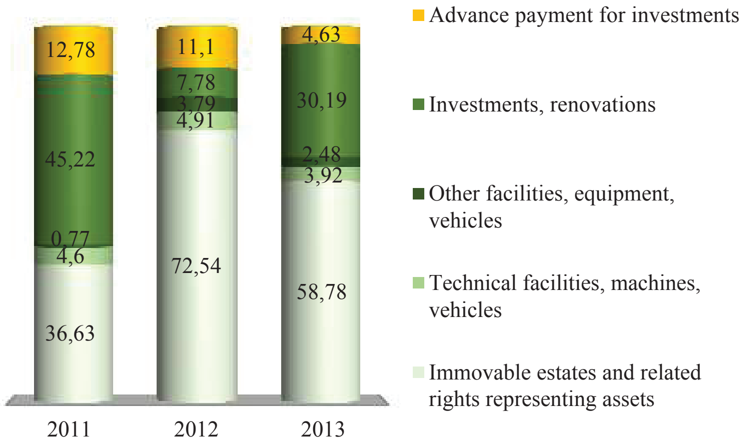
Designation	2011		2012		2013	
	Thousand HUF	%	Thousand HUF	%	Thousand HUF t	%
Fixed assets	**1 249 004**	**83,3**	**2 412 341**	**93,27**	**2 816 689**	**94,19**
Intangible assets	1 543	0,10	115 965	4,48	33 571	1,12
Tangible assets	1 247 461	83,20	2 296 376	88,78	2 783 118	93,07
Fixed financial assets	0	-	0	-	0	-
Current assets	**250 387**	**16,70**	**174 202**	**6,73**	**164 529**	**5,50**
Stocks	1 211	0,08	10 331	0,40	6 372	0,21
Claims	245 301	16,36	148 148	5,73	120 802	4,04
Security	0	-	0	-	0	-
Cash	3 875	0,26	15 723	0,61	37 355	1,25
Active accruals and deferrals	**0**	**–**	**0**	**-**	**9 282**	**0,31**
Assets total	**1 499 391**	**100**	**2 586 543**	**100**	**2 990 500**	**100**

Source: Calculated on the basis of the reports by the Demjén Thermal Spa Ltd.

On the basis of the balance sheet total of the assets of the enterprise a continuous increase can be seen, illustrated by Chart 1. In 2012, compared to the previous year there is a growth of 72, 5%, which further intensified by 15,6%. The value of fixed assets almost doubled by 2012 and increased by next year with a further 16,8%. At the same time, current assets decreased by 34, 3% in total, which was mainly the result of the lessening of claims. To be able to understand the formation of dynamic change of value we have to know the assets' distribution coefficients, also reflected by Chart 1. With the help of coefficients the asset structure of the enterprise can be analysed well, moreover it reflects the management and development of the enterprise. On the basis of the distribution coefficients it is striking that the proportion of fixed assets greatly exceeds the proportion of current assets in every year. This is the result of the fact that the Ltd. expanded the fixed assets because of its large-scale investments. In the following part the formation of assets is analysed in more detail, considering the three years, which explains the significant difference between the value of current and fixed assets.

In the examined period the value of intangible assets constitutes a smaller proportion of the fixed assets. In the years 2011 and 2013 their value can be considered minimal, however in the 2012 business year it constituted 4,48% of the fixed assets. The growth resulted from the capitalised value of the experience development, which meant 110.566 thousand HUF in this year. The reason for this is the launch of a new mud development programme by the Demjén Thermal Spa Ltd. in a close cooperation with the Eszterházy Károly College. In the confines of the project currently in progress new mud-treatment technologies are worked out, combined with new electro therapy, and they intend to justify the effectiveness of mud treatment chemically too. During the project the prototype of a complex mud treatment system is planned to be constructed. The proportion of tangible assets shows the proportion of permanently deposited assets concerning total assets. The indicator informs us about the vertical division of assets and the measure of stock deposited in assets. The high value of permanently deposited assets can refer to the existence of modern equipment and the utilisation of new projects as far as possible. The high proportion of tangible assets is frequently the basic condition for an active part in the branch, which can secure competitiveness in the market (*Jacobs-Oestreicher,* 2000). The tangible assets form the highest proportion in the balance sheet total and concerning the liabilities of the enterprise. In the first year of the examined period this proportion was more than 83%, then it further intensified in the following two years. In our opinion, concerning such a high proportion it has to be presented what kind of balance sheet items in which proportion represented the value of tangible assets. Thus we present it with the help of a diagram, which makes the motives for rearrangement clear.

Illustrated by Fig. 2 concerning the last three years, the most significant part was constituted by immovable estates and related rights representing assets at the Demjén Thermal Spa Ltd. By 2012 their value more than tripled, namely to 1, 665, 793 thousand HUF, by this constituting 72,54% of the tangible assets. This is due to the fact that the enterprise



Source: Calculated on the basis of the reports of the Demjén Thermal Spa Ltd.

Fig. 2. Distribution of tangible assets between 2011 and 2013

capitalised its investment in the CASCADE Hotel in this year. The value of capitalisation was more than 1, 351 million HUF. The value of technical equipment and vehicles almost doubled, the measure of growth concerning other equipment, facilities and vehicles was 77, 543 thousand HUF in the period of the hotel's capitalisation. These appliances are directly necessary for performing the services. Furniture, kitchen, laundry and confectionary machinery and office equipment constitute this group. The value of advance payment for investments increased by 2012, however its part in tangible assets was smaller. Among tangible assets the value of investments and renovations was the highest in 2013, when 840,279 thousand HUF was in the statements among unfinished investments. From the sum, 113 million HUF is connected to the new mud development programme, 727 million HUF is connected to the cave bath investment, which was planned to be capitalised in December, 2014.

Summing up the facts it can be stated that the increase in the value of the fixed assets was provided by the hotel investment and the cave bath investment in 2012.

Current assets show a decreasing tendency in the period designated for analysis. The distribution of current assets can be termed minimal compared to the total assets and the tangible assets. It constituted only 16,7% of the enterprise's asset structure in 2011, and then this number further decreased by 10%. Among current assets the highest proportion is provided by the claims balance group. Analysing the data we can see that their absolute value decreased by 40% by 2012 and further decreased by 18,5%. This drop is due to the decrease of receivables, whose greatest part was indicated among the other claims. The value of stock varied during the three years. Their value increased more than eightfold by 2012, then in the following year it decreased by 38,3%. The greatest part among the assets are constituted by the products of catering industry. The value of cash in the examined period showed a continuous growth, which influenced the operation of the Ltd positively. In 2011/2012 the increase was 11, 848 thousand HUF in value, then this number more than doubled by next year. Cash plays an important role during the analysis of the financial situation, planned to be examined later. In the 2011/2012 business year no prepayments were accounted, however in 2013 9, 282 thousand HUF was in the statements, which originated from the fact that the billing of the hotel service at the end of the year affected the next year.

When analysing the financial situation of the enterprise it is important to collect data about the liabilities of the balance, with which the management can be examined and estimated. The examination focuses on the demand to have information about the proportion of balance sheet main groups and balance sheet groups concerning all sources. Calculations will be carried out after constructing the assets; as the first step I analyse equity, then I study the change of claims and accrued expenses and deferred income. In the last three years the enterprise did not build up provisions.

From among capital structure indicators I analyse equity ratio first, which refers to the proportion of equity concerning sources.

$$\text{Equity ratio, \%} = \frac{\text{Equity}}{\text{Total sources}}$$

It is an indicator frequently applied in the international practice, informing us about the structure of equity and the measure of self-financing. The high proportion of equity helps in maintaining the financial security of the enterprise, as no interest payment obligation or repayment obligation is connected to it. The value of indicator regularly varies according to branches, thus theoretically no minimal requirement level can be determined; however, the decrease in equity ratio is not favourable. (*Herczeg,* 2014).

Among the indicators of equity structure the equity growth rate helps in the further analysis of the enterprise's financial situation, the use of which is often applied in analysing assets. The indicator can. be termed favourable if there is a continuous growth, or if its value is more than 100%.

$$\text{Equity growth rate, \%} = \frac{\text{Equity}}{\text{Share capital}}$$

Besides the study of the equity ratio the relation of equity and external capital can be demonstrated by the indicator of equity stress. Its value indicates how much external finance prevails inside the enterprise compared to equity, namely how much the enterprise depends on external capital Its result can be calculated by correlating foreign capital to equity.

$$\text{Equity stress, \%} = \frac{\text{External capital}}{\text{Equity}}$$

There is no appropriate value for this indicator, as all enterprises have different goals they can sometimes achieve by the increase of external capital. Thus each time when evaluating the indicator a different value is optimal. (*Jacobs & Oestreicher*, 2000.)

Chart 2. The formation of equity between 2011 and 2013

Indicator	2011 (%)	2012 (%)	2013 (%)
Capital strength	44,06	29,05	29,56
Capital growth ratio	258,07	293,49	345,32
Equity stress	67,77	153,52	145,31

Source: Calculated on the basis of the reports by the Demjén Thermal Spa Ltd.

Chart 2 includes the indicators of equity and their changes, with the help of which the analysis can be concluded. Equity continuously grew in the examined period, all these stemmed from the changes in retained earnings, the committed reserves and the result balance sheet group. Share capital was unchanging during these three years. The 365, 288 thousand HUF retained earnings from 2012 was increased by the result of previous year with 179,055 thousand HUF according to the balance sheet, and it was also decreased by the development reserves. The value of deposit was 39. 980 thousand HUF this year. In 2013 the development reserve increased to 73,600 thousand HUF, however the value according to the balance sheet increased the retained earnings only by 90,678 thousand HUF.

Thus, equity grew year by year, however, it amounted to a smaller and smaller proportion of the sources, which cannot be termed positive. In 2011 the equity ratio was 44, 06% which is optimal, nevertheless, in the following two years it decreased below 30%. This is due to the fact that the commitments of the enterprise significantly increased in the year 2012/2013. The equity growth rate presents the total growth of equity. On the basis of the calculated indicator we can see that a continuous growth can be traced, moreover their value is more than 100%. We can state that concerning the Demjén Thermal Spa Ltd. the two expected requirements were realised in the past period, also illustrated by Chart 2. The indicator grew to 35, 42% by 2012, then in 2013 it intensified by 51, 38%. On the basis of the results of the equity stress indicator we can see that inside the enterprise external financing predominates more and more. As for evaluation, if the value of the indicator is 100%, then the proportion of equity and external capital splits evenly, possibly this ratio does not work out this way in any enterprises. In 2011 the value of the indicator was 67, 77% stemming from the fact that the value of the equity was 660, 668 thousand HUF, while external capital was 447,734 thousand HUF. In the following two years the value of the indicator was a good deal more than 100%, resulting from the initiation of high external capital into the enterprise. Concerning evaluation it is unfavourable; however, without initiating new loans the development of the enterprise would not have taken place. The ratio of liabilities shows the proportion of the total liabilities inside the total sources. Generally no optimal or critical rate can be determined for this indicator. The growth or consistency of the ratio of liabilities cannot be termed negative in all cases; in the case of pronouncedly expanding activities and stabile, profitable course of business. By growing indicators it is important to note the burden of external liabilities and the fact that by continuous growth an enterprise can be more and more dependent on liabilities. (*Kresalek,* 2012).

$$\text{Ratio of liabilities, \%} = \frac{\text{Liabilities}}{\text{Total sources}}$$

Chart 3. Ratio of liabilities inside total sources

Indicator	2011 (%)	2012 (%)	2013 (%)
Ratio of liabilities	29,86	44,6	42,95
Ratio of subordinated liabilities	-	-	-
Ratio of long-term liabilities	20,01	16,43	24,25
Ratio of short-term liabilities	9,85	28,17	18,7

Source: Calculated on the basis of the reports by the Demjén Thermal Spa Ltd.

We have already had a look at the measure of the initiated external capital on the basis of indicators studied for the analysis of equity; however, during further analysis the ratio of liabilities gives a more accurate picture of the reasons and measure of initiating external capital. We illustrate the ratios of liabilities inside the source structure on the basis of Chart 3, also complemented by the ratio of subordinated, long-term and short-term liabilities.

In the case of the Demjén Thermal Spa Ltd. a large-scale growth can be observed in the examined period concerning the ratio of liabilities. In 2011 the value of the indicator was 29, 86% which increased to 44, 6% by 2012. In this year long-term and short-term liabilities amounted to 1, 153, 501 thousand HUF. The reason for the change of long-term liabilities is the fact that the enterprise borrowed 125 million HUF investment and development loan in 2012. Thus, the long-term credit of the enterprise amounted to 425, 000 thousand HUF together with the loan borrowed in 2011. However, the most significant reason for the change of liabilities is the considerable growth of short-term liabilities; by 2012 their sum was almost fivefold; its biggest proportion was given by loans and delivery debts. It is important to note that the initiation of external capital was inevitable because of the hotel investment in 2012.

For the sake of realising the cave bath investment in 2013 new investment and development loans were to be initiated, by these long-term liabilities grew to 725, 249 thousand HUF. The growth stemmed from the fact that the company borrowed money several times, a total amount of 262, 500 thousand HUF. Parallel to this, short-term liabilities decreased by 23%. The main reason for this is the decrease of delivery debts by 76%. Repayment of long-term loans borrowed in 2011 started in July, 2013, as the enterprise received a grace period of 24 months. The amount of payment was 8, 743 thousand HUF, which was listed among short-term liabilities in the statement. Summing up the abovementioned we can say that the initiation of external capital significantly grew in the three years. Thus the funding structure of the enterprise hugely transformed, which made the economic operation of the enterprise riskier. The company is far from the critical 70%

limit value. If an enterprise is close to this value, then we can say that bankruptcy evolves, which may lead to liquidation. From the liabilities of the balance sheet we can see that accrued expenses and deferred income amounted to 27% of the liabilities on average, thus I consider their presentation important.

Ratio of accrued expenses and deferred income % = accrued expenses and deferred income / total sources

Chart 4. The ratio of accrued expenses and deferred income inside total sources

Indicator	2011 (%)	2012 (%)	2013 (%)
Ratio of accrued expenses and deferred income	26,08	26,36	27,48

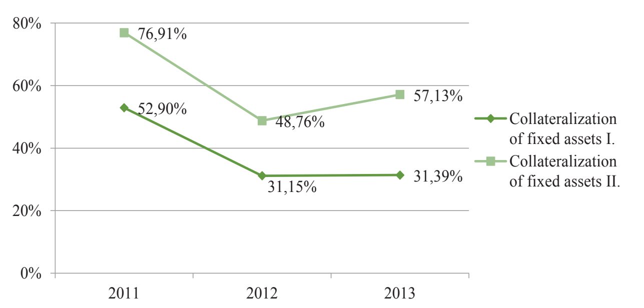
Source: calculated on the basis of the reports by the Demjén Thermal Spa Ltd.

Accrued expenses and deferred income inside the funding structure grew year by year, but only slightly, a trend illustrated by Chart 4. They amounted to 26% of the total sources in 2011/2012; then the figure increased to 27, 48% by 2013. Most of the balance sheet main group is provided by the deferred income, originating from that part of the non-refundable support which was not accounted for by that time. By 2012 the sum increased by 76%, by 2013 a further 20% was registered. The growth is connected to the 267 million HUF support of the CASCADE Hotel and the 500 million HUF support of the CASCADE cave and experience bath.

To be able to evaluate the harmony of assets and liabilities the analysis of the most significant indicators is used. First of all I present the funding of fixed assets followed by the analysis of the equity multiplier.

Collateralization of fixed assets I., % = Equity / Fixed assets

Collateralization of fixed assets II., % = Equity + Long-term liabilities / Fixed assets



Source: Calculated on the basis of the reports by the Demjén Thermal Spa Ltd.

Fig. 3. Collateralization of fixed assets between 2011-2013

The I-II. indicators of collateralization of the fixed assets present the relation of permanent liabilities and the permanently committed assets. Matching principles of the balance sheet state that the maturity of liabilities has to be in accordance with the returns of assets, namely permanent liabilities have to be financed from permanent sources. By evaluating the first indicator no minimum value can be determined; the calculated rate is appropriate for comparing it to data of other enterprises with the same time-period or activity range. The expected value of the second indicator is 1. (*Siklósi-Veress*, 2011).

The collateralization of fixed assets indicator I. shows a decrease of 21, 57% from 2011 by 2012, thus the rate is only 31, 15% this year, as illustrated by Fig. 3. The decrease is due to the fact that the fixed assets increased by 93% as the result of the realised project compared to the previous year. As a result, the assets funding capacity of the equity worsened in the three years.

On the basis of Fig. 3 we can see that the value of the indicator of collateralization of fixed assets indicator II. significantly decreased during the years, and it fell away from the expected result of 100% in every year. The lowest collateralization rate was in 2012, in that year the indicator amounted only to 48, 76%, which can be termed really unfavourable. On the basis of the calculated indicators we can unequivocally state that the Ltd. finances the permanently committed assets mostly from external capital, for which it had already had to use short-term credits and loans. It is a positive tendency that the indicator shows an increase in 2013, however, it falls away from the expected limit value in a great degree.

The equity multiplier, in other words capital intensity rate, is the ratio of total assets and equity. It shows what kind of assets the enterprise can activate with the equity, namely how many times it could multiply its equity in the examined period. (*Soenen-Tarnóczi*, 1995).

Equity multiplier = Total assets / Equity

Chart 5. Formation of equity multiplier between 2011 and 2013

Indicator	2011	2012	2013
Equity multiplier	2,270	3,443	3,383

Source: calculated on the basis of the reports by the Demjén Thermal Spa Ltd.

The figures of the equity multiplier ratio between 2011 and 2013 are illustrated by Chart 5. A significant growth can be traced, thanks to the fact that the value of fixed assets more than doubled, while the value of the equity increased only minimally. Thus the value of the indicator was above 3 by the years 2012/2013. As we can see the company created an asset value exceeding the equity, which grew year by year.

Conclusion

Hungary offers excellent possibilities for those who wish to use our baths for relaxation or recovery. Among our natural assets medicinal waters and thermal waters have a high priority, as a result of which wellness tourism significantly develops. There are several thermal water springs in Hungary, and that is why this territory has to be developed. Besides, it is reasonable to catch up with other countries, with which demand for medical and thermal tourism could be increased. The Demjén Spa is situated in Northern Hungary, more precisely in the Eger micro region. The Demjén Thermal Spa Ltd. was going through a dynamic phase in the examined period; by revealing positive and negative factors stemming from this situation we drew conclusions about the financial situation of the enterprise. Due to restraints on length, the paper examines only the financial situation. The enterprise went through a significant development in the previous two years, which resulted in important changes concerning assets and liabilities. The enterprise continuously increased its assets between 2011 and 2013, whose bigger part was constituted by the fixed assets. All this happened as the result of capitalised charges and investments in process, which can be evaluated as positive factors, since they contain the basic conditions of a successful future management.

References

Bodnár L. (2005): Az idegenforgalom hazai és nemzetközi vonatkozásai. Nemzeti Tankönyvkiadó Rt., Budapest, 382 p. (ISBN: 963-**19-4960-50)**

Halassy E. (2007): A magyar lakosság és a vízi, a vízparti, valamint a gyógy- és wellness-turizmus kapcsolata. Turizmus Bulletin. IX. évf. 4. sz. pp. 2-13.

Herczeg A (2014): Summary of Theories in Capital Structure Decisions ANNALS OF THE UNIVERSITY OF ORADEA ECONOMIC SCIENCE XXIII: pp. 11-20. (2014)

Jacobs, H. O. & Oestreicher, A. (2000): Mérlegelemzés. Kossuth Kiadó, Budapest, 222 p. (ISBN: 963-09-4161-9)

Kresalek P. (2012): A mérleg elemzése, pp. 63-96. In: A vállalkozások tevékenységének komplex elemzése. (Szerk. Dr. Pucsek J.). Perfekt Gazdasági Tanácsadó, Oktató és Kiadó Zrt., Budapest, 257 p. (ISBN: 978-963-394-812-5)

Mariann Szücs (2005): *Competitveness of Hungarian Thermal Spas – the Comparative Analysis of a Hungarian and an Australian institution*. A magyarországi gyógyfürdõk versenyképessége – Egy magyar és egy ausztriai létesítmény összehasonlító elemzése Turizmus Bulletin 3. 42-48 pp.

Michalkó G., Rátz T., Irimiás A. & Pagini, A. (2011): Az egészségturizmus és az életminőség magyarországi kapcsolatának vonatkozásai, pp. 27-43. In: Egészségturizmus és életminőség Magyarországon: Fejezetek az egészség, az utazás és a jól(l)ét magyarországi összefüggéseiről. (Szerk. Michalkó G. – Rátz T.). MTA Földrajztudományi Kutatóintézet., Budapest, 179 p. (ISBN: 978-963-9545-34-2)

Michalkó G. (2007): Magyarország modern turizmusföldrajza. Dialóg Campus Kiadó, Budapest-Pécs, 288 p. (ISBN: 978-963-7296-29-1)

KSH (2013): *Settlements Involved in Medical Tourism in Hungary*. A gyógyturizmusban érintett települések Magyarországon http://www.ksh.hu/docs/hun/xftp/idoszaki/regiok/gyorgyogyturizmus.pdf 2013. augusztus

Dr. Siklósi Á. – Veress A. (2011): Pénzügyi számvitel II.. Perfekt Gazdasági Tanácsadó, Oktató és Kiadó Zrt., Budapest, 408 p. (ISBN: 978-963-394-661-9)

Smith, M. & Puczkó L. (2010): Egészségturizmus: gyógyászat, wellness, holisztika. Akadémia Kiadó, Budapest, 427 p. (ISBN: 978-963-05-8806-5)

Soenen, L. & Dr. Tarnóczi T. (1995): Vállalati pénzügyek, Debreceni Egyetem, Közgazdasági Tudományi Kar, Pénzügy és Kontrolling Tanszék, 140 p. http://kozszolgalati.atw.hu/Luc_Soenen_konyv.doc, letöltés dátuma: 2014. augusztus 21.

Information for authors

Applied Studies in Agribusiness and Commerce (*APSTRACT*) is the official periodical of the International MBA Network in Agribusiness and Commerce for the discussion and dissemination of applied research in agricultural economics, agribusiness and commerce performed within the International MBA Network. Submitted manuscripts should be related to rural development or the economics of agriculture, natural resources and environment. Papers should have a practical orientation and demonstrate innovation in analysis, methods or application. Topic areas include production economics and farm management, agricultural policy, agricultural environmental issues, regional planning and rural development, methodology, the marketing of agricultural and food products, international trade and development. *APSTRACT* publishes practical research and case studies, as well as papers discussing policy issues. Shorter features include book reviews and comments on previously published articles. In addition, the journal publishes on its website the Annual Report of the International MBA Network in Agribusiness and Commerce enabling the members of International MBA Network to have immediate access to the papers. Reactions to articles previously published in *APSTRACT* should be sent to the Editor. Critical comments and suggestions are always welcome.

General rules of formatting a paper and preparing a list of references are consistent with the recommendations of American Psychological Association (APA 2001) and the APA Style Guide to Electronic References (2007). Manuscripts should be headed with the title of the paper, first and family name(s) of author(s), with corresponding institute name and address where the research was carried out.

TITLE OF THE PAPER
First name(s) and surname of author[1], first name(s) and surname of author[2]
[1]Name and address of institute 1
[2] Name and address of institute 2

Include an abstract immediately after the title. Abstract provides readers with a quick overview. Abstract should contain the research topic or research questions, participants, methods, results, and conclusions. You may also include possible implications of your research and future work you see connected with your findings. Your abstract should be a single, double-spaced paragraph with no indentation. Your abstract should be between 200 and 300 words. The abstract should give a clear idea of the main conclusions of the article, the methods employed, an indication of reasoning and a concise summary of the key points of your research. Provide a maximum of five key words below the abstract. Listing your keywords will help researchers find your work in databases.

All articles will be held to the same set of scholarly standards. Articles should be written in English and should not exceed 20 pages, including abstract, tables, figures, and graphs. Shorter articles will also be considered. Font size 10, with margins; top 6 cm, bottom 5 cm, left 4.5 cm and right 4 cm on A/4 sheets. Manuscripts should be divided into sections, each with numbers and section heading. Do not use more than two grades of headings. Manuscripts should be divided into the following sections: Abstracts, Keywords, Introduction, Materials and Methods, Results and Discussion, Acknowledgements, References. Background information to the article, such as sponsoring bodies of the research project, should appear in the foot notes, but collect references at the end of the manuscripts. Publishers do not recommend footnotes and endnotes as they are expensive to reproduce, if necessary, footnotes should appear at the end of the page on which they are inserted.

Label each table with an Arabic number (*Table 1, Table 2,* and so on) and provide a clear title. Tables should be quoted in text and placed in their position in the manuscript. Keep tables as simple as possible. Tables spreading across double pages are difficult to read and typeset. Proposed format for table headings are: Table (number): Title of table (note if any). Table heading is located before the table. Row and column headings should only have the initial letter capitalized. Below the table, give its source as a note. Figures should be numbered consecutively, quoted in text and placed in their position of the manuscript. Camera-ready copies of line drawings and photos should be submitted. Proposed format for headings of figures including graphs, charts, drawings, and photographs are: Figure (number): Title of figure (note if any). Figure title and tables should appear below the figure. Discuss the most significant features of each figure. Mathematical formulas should also be placed in the text. Units should conform to the International System of Units (SI). Although the amount of explanation and data included depends upon the study, do not give formulas for common statistics (i.e. mean, t test) and do not repeat descriptive statistics in the text if they are represented in a table or figure. When including statistics in written text, be sure to include enough information for the reader to understand the study.

A citation of a publication by a single author should be made with a signal phrase that includes the last name of author followed by the year of publication in parentheses (*Nábrádi* 2009). When citing a publication with two authors, include both family names in the signal phrase each time you cite the work (*Nábrádi* and *Heijman* 2009). A work with three or more authors is identified with the family name of the first author followed by et al. and the year of publication (*Nábrádi* et al. 2009). If the author is a government agency or other organization, name the organization the first time you cite with an acronym in parentheses and use the acronym in the signal phrase followed by the year of publication in parentheses (FAO 2009). When your parenthetical citation names two or more works, put them in the same order that they appear in the reference list, separated by semicolons (*Nábrádi* 2009; *Nábrádi* et al. 2008). When possible, cite an electronic document the same way as any other document using the name of author followed by the year of publication.

Alphabetize entries in the list of references by the family name of the first author; if a work has no author, alphabetize it by the acronym of the organization followed by the year of publication. The date of publication appears immediately after the name of authors. Observe all details: capitalization, punctuation, use of italics, and so on. Begin the entry with the family name of first author, followed by a comma and the initial(s) of first author. If more than one author, continue with a comma followed by the family name of the second author, followed by a comma and the initial(s) of the second author, etc. until all authors are listed. Then give the year of publication in parentheses followed by a period. The following models illustrate the style for entries in the list of references:

Book: Author, A. A., Author, B. B. (Year of publication). *Title of book*. Name of publisher, Place of publication. Pages.

Article in an edited book of conference proceedings: Author, A. (Year of publication). Title of paper. In: Author, B. B. (Ed.) *Title of edited book or conference proceedings*. Name of publisher, Place of publication. Pages.

Articles in journal Author, A. (Year of publication). Title of paper. *Title of journal, Volume number* (issue number if available). Pages.

Articles from electronic sources: Author, A. (Date of publication). Title of paper. Name of publisher, Web place of publication.

Refereeing process: Submitted papers are sent to two independent, anonymous reviewers selected by the Editorial Board members for judgment on their appropriateness for publication. Lists of Editorial Board members can be found on the inside cover of the *Applied Studies in Agribusiness and Commerce*. The recommendations of the refereeing panel are made known to the authors by the Editor. Revised articles should be sent directly to the Editor in the same way as first submissions. Proofreading: Proofs are sent to authors for reading and correction directly by the publisher and a date for the return of proofs will be given; corrections arriving after the stated date will only be incorporated if time is available.

Articles should be submitted to the Editor by e-mail, prepared in a recent version of Word for Windows. One printed copy of the complete article should be sent via post.

Editor: *Prof. Dr. Andras Nábrádi*
Faculty of Applied Economics and Rural Development
University of Debrecen
4032 Debrecen, Boszormenyi ut 138, Hungary
Tel: 00/36/52/526967
e-mail: editor-apstract@agr.unideb.hu

AGROINFORM
PUBLISHING HOUSE

Editor: *Prof. Dr. András Nábrádi – Editorial office:* H–1149 Budapest, Angol u. 34.
Phone/fax: (36-1) 220-8331 • E-mail: studio@agroinform.com
Executive publisher: Etelka Bolyki, managing director
Typography: Opal System Graphics • *Production:* Agroinform Visual Studio
The publication is distributed by AGROINFORM Publishing House • www.agroinform.com
H–1149 Budapest, Angol u. 34. • Phone: (36-1) 220-8331
HU-ISSN 1789-221X

APSTRACT

Contents

Typography: OPAL www.opalmedia.hu