Chairman of the Editorial Board Word

Dear readers,

into the hands it is distributed a new issue of our journal, by which we begin the second decade of its issuance. Therefore I take this opportunity to jointly look back at the last ten years.

The first edition of the peer-reviewed journal for science and information, was issued by the Institute of Hospitality Management in Prague in 2005 and its title was "Czech Hospitality and Tourism Papers – Hotel Industry, Health Resort, and Tourism." The date of its origin can be considered March 31, 2005, when the journal was registered by the Ministry of Culture under a number E 15814 and received ISSN 1801-1535.

The first long-standing Chairwoman of the editorial board was prof. Eng. Lenka Pražská, Ph.D. from 2005 to 2011. The journal published articles and analytical studies of both Czech and foreign authors in Czech, Slovak and English languages, which were focused on developing the theory and practice in the field of hotel industry, health resort, gastronomy and tourism. The journal has also served to present educational and professional activities of academic staff and to publish reports on the outcomes of research projects, international conferences and reports on cooperation with business entities.

On the basis of its quality assessment the journal Czech Hospitality and Tourism Papers - Hotel Industry, Health Resort, and Tourism", was integrated at the List of Reviewed Non-Impacted Periodicals published in the Czech Republic by governmental Council for Research and Development and Innovation from June 2008 until the end of 2013. Another milestone in publishing the journal was its integration into the EBSCO database of EBSCO Publishing, with its headquarters in Ipswich, Massachusetts, USA in 2010. In the years 2005 – 2011the journal was issued twice per year and from 2012 three copies per year have been issued. In 2012 the new editorial board chairman became Eng. Josef Vlček, Ph.D. The re-classification of our journal into the List of Reviewed Non-Impacted Periodicals published in the Czech Republic was decided by the Council for Research, Development and Innovation, at its 299th meeting held on 28 November 2014 with effect from 1 January 2015.

Magazine has undergone a radical change since 1 January 2014. Apart from the editorial board has worked under the leadership of the current Chairman and the its title has been presented in an abbreviated form "Czech Hospitality and Tourism Papers", there was also an increase in the number of foreign members of the editorial board of the journal, and the journal has been issued in English only. Another alteration aimed at improving the quality and expanding the awareness among domestic and international academic community and experts, was the focus of the magazine itself. Since 2014 the journal has published predominantly scientific or briefing States aimed at developing theory and practice in the fields of hospitality, gastronomy, tourism, and heath resort.

Let me mention a few statistical data. In ten years of its existence, the journal has published 156 articles by 261 authors. In the review process altogether 152 reviewers have participated. It was issued a total of 23 issues of the journal with extent of 2,528 pages, and with total number of 6,150 prints. In the work of the editorial board 33 experts from the academic and professional communities, have involved, 19 of them have been foreign experts.

What are the ambitions of the editorial board for the next decade? We want to remain an important peer-reviewed scientific journal of the Czech Republic, and our ambition is also the journal integration into other international databases, including the European SCOPUS and ERIH Plus. To achieve this ambitions, we also need the help of you, the readers, and especially writers. Our desire is that you send us the highest quality of scientific and professional articles. We are aware of a fact that the adequate quality of a journal, can be maintained and improved with your help only.

On the occasion of the 10^{th} anniversary of issuing the "Czech Hospitality and Tourism Papers" I would like to thank all former and current members of the editorial board, reviewers and especially authors of articles, who have contributed to the current quality of the journal. My acknowledgment belongs to all personnel and staff of the Institute of Hospitality Management in Prague who provide editorial editing and publishing of the journals.

Assoc. Prof. Eng. Petr ČECH, Ph.D.

In Prague, 10 June 2015.

CZECH HOSPITALITY and TOURISM PAPERS

Volume XI.
Issue 24/2015

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

The CHTP Journal serves primarily as a platform for the presentation of an author's, or team of author's, original research results in the above-mentioned fields. A "Consultation and discussion" section contains survey papers and also specialized survey papers from the pedagogical and expert activities of academics, as well as reports on research project results.

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SCIENTIFIC PAPERS

Radka Marčeková, Alena Kaščáková, Marta Vránová

SEGMENTATION OF WELLNESS TOURISM VISITORS IN SELECTED REGIONS IN SLOVAKIA

Abstract: *The aim of this paper is to segment wellness visitors in relation to their lifestyle in selected tourist regions (Low Povazie region, Upper Nitra region, Ipeľ region, Liptov region, Pohronie region, North Povazie region and Tatra region) in Slovakia. Four segments of wellness visitors in relation to their lifestyle are identified. It proves the hypothesis that there are acceptably stable groupings of wellness visitors in selected tourist regions in Slovakia. The grouping analysis method Two Steps Cluster was used as the statistical methods and the analysis examination, synthesis, abstraction, comparison and deduction were used as the theoretical methods.*

Key words: *market segmentation, lifestyle, visitor, wellness*

JEL Classification: *A10, L83, M31*

Introduction

The term Wellness cannot be characterized by a one-word equivalent in the Slovak language. It is beyond the frontiers of tourism (because it can be part of one's life without needing the service of a tourist establishment). However, it is a part of tourism because it has economic importance for it as spa tourism, and also wellness tourism is a category of medical tourism.

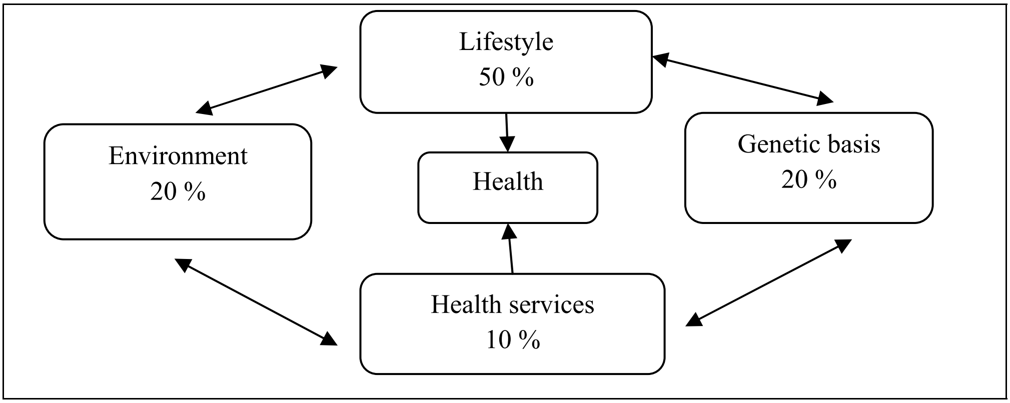
Spa tourism focuses on the improvement of the state of one's health with the combination of spa and medical therapy, dietary and psychophysical rehabilitation, and at the same time, the development of social and cultural life in spa towns. Wellness tourism includes a variety of products, which differ by country in which the wellness tourism is applied. Slovakia includes mainly products focused on preventative care for one's own health in the form of relaxation and rest and as well as products focused on beauty. Other countries may have products aimed at physical therapy (e.g. Mofetta dry baths), entertainment and leisure time orientation, the balance between work and free time, psychological nature, and spiritual enlightenment.

The extension of the wellness tourism trend in the Slovak Republic started at the end of the 20th century. Its development is linked to lifestyle changes of the population. While in the past the treatment prescribed by doctors on medical grounds was considered important, today a healthy lifestyle and prevention are emphasized. The lifestyle of individuals is reflected in their participation in tourism. Wellness holiday are becoming an increasingly frequent incentive of travelling among the visitors. Many consider wellness as part of a lifestyle that leads to harmonious mental (intellectual) and physical health, or for life philosophy. Wellness as a megatrend in tourism has been practiced in some European countries for a long time and many wellness facilities have achieved outstanding economic performances.

Lifestyle has been studied by many authors such as Ferner (1993), Blahušová (1995), Horníková (2005), Čihovský, Hobza and Dohnal (2007), Kotler, Wong, Sanders and Armstrong (2007), Burák (2007), Liba (2007), Duffková, Urban and Dubský (2008), Vysekalová and Herzmann (2010), Kubátová (2010) and others.

Lifestyle is considered as one of the determinants of health Burák (2007) and Machová, Kubátová et al. (2009). Determinants which influence health can be divided into inner and outer determinants. The inner are inherited, the outer include quality of life and work environment and health services (quality level of health care). Their correlation and impact of individual factors on health are shown in the Diagram 1.

Diagram 1: Determinants of Health and their Impact



Source: Processed according to Burák 2007; Machová, Kubátová, 2009.

In Slovakia the wellness tourism is still in its development phase. It significantly contributes to the development of regions in Slovakia because it also helps to compensate the irregular progress of tourism due to seasonality.

In this paper we investigate the role of wellness visitors. They are regarded as being customers who demand wellness tourism products. Their characteristics are their diversity which also result in the different buying behavior. Therefore, we consider the visitor segmentation to be important, which allows them to be divided into groups according to certain criteria. Dillon, Madde and Firtl (1993), Ferner (1993), Weinstein (1994), and Perrault McCarthy (1995), Kamakura and Wedel (2000), Berg (2003), Cahill (2006), Keller (2007), Kotler (2008), Tomek and Vávrová (2008), Vokounová (2008), Palatková and Zichová (2011) and others are the authors studying the meaning of segmentation. E.g. Pompurová and Strnádová (2014) examined segmentation in context of organized events. Based on visitor segmentation, we can assume certain homogeneity in the buying behavior of certain identified groups.

Materials and Methods

The objective of this paper is to segment wellness visitors in relation to their lifestyle in selected regions of tourism in Slovakia. We prove the hypothesis that there are acceptably stable groupings of wellness visitors in the research area in Slovakia.

The verification of hypothesis is presented in a statistical evaluation of the primary quantitative survey program PASW SPSS, version 18.0, using the method of grouping analysis Cluster Two Steps (Two-step cluster analysis). We conducted the primary survey among visitors of wellness facilities in selected tourism regions in Slovakia.

The sample consists of random visitors of selected wellness businesses in the Low Povazie, Upper Nitra, Ipeľ, Liptov, Pohronie, North Povazie and Tatra tourist regions. Among the selected businesses there were wellness service providers, willing to participate in the survey such as hotel facilities, health spas and water parks.

When obtaining information, we used primary and secondary data. From the secondary data, we mainly used the method of acquiring information from the available domestic and foreign literature, which helped us to clarify the theoretical results of our research.

We used questionnaires as quantitative survey method for collecting the primary data which was compiled by the International Association of Tourism and Leisure Studies ATLAS. The questionnaire contained 27 questions, some of which were focused on current residence (at the time of completion), some of the questions concerned the everyday (ordinary) life of visitors. The questions were focused on the lifestyle of the respondents, the motivation of their visit to wellness facilities and consumer behavior. It contained closed questions with multiple choice, open association questions, selective questions with a limited number of responses, dialogue questions, dichotomous and scaling method questions.

Approximately 30 % of the questionnaires were completed by respondents either personally or with the assistance of the interviewers. The remaining part of the questionnaires were placed by authorized employees of enterprises in the wellness reception, so we wanted to ensure the availability of questionnaires directly to visitors who use wellness services, and filling them out was separate. Part of the questions in the questionnaire was focused on the current stay (at the time of its filling out), part of the questions concerned the everyday life of visitors.

The result was a sample of 806 respondents. The return of a total of 2,000 distributed questionnaires was 40.3 %. The representation of the different regions in the survey was unproportional (Table 1). The reason for the unproportional representation of regions was the fact that in each region, we tried to receive the maximum number of replies (number of questionnaires, located at the front desk of any enterprise according to the decision of responsible personnel of the business). The actual number of received questionnaires therefore depended on the willingness of companies and the participation of respondents in the survey.

Table 1: Proportion of the Tourist Regions in the Primary Research (in %)

Tourist region	*The proportion of regions on the research results in %*
Ipeľ	4.8
Pohronie	6.1
Upper Nitra	12.6
Low Povazie	14.3
Tatra	16.5
Liptov	17.0
North Povazie	28.7

Source: Own elaboration, 2015.

For the statistical processing of data, we used grouping analysis which was done according to the method of Two Steps Cluster (two-step clustering) with an automatic number of segments. This means that statistical software (PASW SPSS, vers. 18) automatically suggested suitable visitor segments into which they tend to group naturally on the basis of our proposed segmentation criteria (i.e. variables, segmentation bases).

As segmentation criteria, we tested chosen lifestyle characteristics of respondents. This was the attitude towards the consumption of tobacco in their daily lives, following a healthy nutrition, religion, fitness activities during their daily lives and their general health.

We assume that based on their lifestyle the wellness visitors have the potential to form groups that will in a similar manner respond to the marketing mix of businesses. This relies on the Swarbrook and Horner theory (in Smith, Puczkó, 2008), who argue that there is a bond between the lifestyle of visitors and their participation in wellness.

After identifying the segments we allocate profile characteristics and we compare segments with each other in order to get the most specific characteristics of visitors. We identify the characteristics which form:

- geodemographic profile of the visitors, on the basis of the following factors: age, employment status, nationality, size of place of residence, gender and employment;
- the socio-economic profile of the visitors, created as a summary of the following factors: the level of accomplished education, the source of financing the holiday, the total expenditure for the holiday and their division, the number of accompanying persons during the current holiday;
- psychographic profile of the visitor, drawn up on the basis of the following factors: the average length of wellness holiday during the calendar year, the actual length of holiday, frequency of wellness holidays during the calendar year, the type of accommodation during the holiday, source of information about the holiday, the reason for selecting the final destination of the holiday, preferred activities during the holiday, characteristic of the holiday according to visitors, the consumption of tobacco (attitude to smoking) in everyday life, fitness activities in everyday life, following the healthy nutrition in everyday life, religious beliefs or philosophy, frequency of wellness services in daily life of respondents during the calendar year.

Results

In the first phase of the research we processed and statistically adjusted the collected data into the data matrix (excluding questionnaires with missing or incorrectly answered questions). With the data analysis we achieved the relevant sample of respondents, which we subjected to the grouping analysis (n = 735). When testing the selected criteria, we found that these do not create sufficiently stable grouping. *(The quality of grouping, assessed as compliant, comes in range -1 to 0.25; sufficient quality grouping achieves the range 0.25 to 0.5. On the interval from 0.5 to 1.0 are groupings of superior quality).* The survey confirmed that we get sufficiently stable groupings of visitors, providing that as segmentation criteria we use only three lifestyle characteristics of visitors: attitude of the visitors to the consumption of tobacco in their daily lives, their religious beliefs and their health. The stability of grouping was significantly deteriorated by two other characteristics which we wanted to use as segmentation variables (characteristic expressing the attitude of visitors to the healthy nutrition and their attitude to the fitness activities in their daily lives). Therefore we excluded both characteristics from the segmentation criteria.

We found that wellness tourism visitors in Slovakia group into four sufficiently stable segments. We named them holistically oriented, pleasure seekers, health rationalists and rationalists with an average health state. The structure of these segments is expressed by a parameter called silhouettes degree of cohesion and separation. It is acceptable and reaches 0.4. Most visitors belong to pleasure oriented segment (245), a holistically oriented segment (216), healthy rationalists (154) and the smallest segment consists of rationalists with an average health state (120). Segments according to basic characteristics which derived from the selected segmentation criteria are defined in the following order from the largest to the smallest.

Pleasure seekers are smokers (100 %), who mostly do not follow any religion or philosophical views (60 % of them do not follow religion nor life philosophy at all, 15 % follow occasionally, 13 % and 12 % take the religion as part of their lifestyle) and their health is mostly average, or good (70 % perceive their health as average, 20 % as good, 8 % as poor and 2 % as very good). Pleasure oriented visitors do not lead consistently healthy lifestyles and enjoy the pleasure of smoking in everyday life despite its harmful effects. These are not the visitors who visit wellness facilities regularly during the period when they feel healthy. This includes the visitors who are aware that smoking carries a risk of health problems, some of them already feel its effects and are not willing or they are unable to give up smoking.

Holistically oriented visitors are non-smokers (100 %), follow religion or life philosophy (50 % of the mass part of a lifestyle, 30 % regularly and 20 % occasionally), whose health state is mostly average (45 % perceive their health as average 30 % as good, 25 % as bad). Holistically oriented visitors take care of their own health and understand it as a whole composing physical, emotional and mental health. They are inclined to spirituality in everyday life, which may also influence the demand for specific wellness tourism products.

The group of healthy rationalists consists of non-smokers (95 % non-smokers, only 3 % are regular smokers and occasional smokers 2 %) who do not follow religion or life philosophy (95 % of them do not follow, 3 % of them follow a religion or philosophy as part of your lifestyle and 2 % follow religion occasionally) and they are mostly satisfied with their health (70 % of them perceive it as good, 20 % as bad on the contrary, 15 % as very good and 5 % as very bad). Healthy rationalists adopted healthy lifestyle habits and realize positive effects on the body wellness products, they are not inclined to spiritual principles and use mainly products focused on the physical well-being.

Rationalists with an average state of health form the most homogeneous group of visitors. This group only consists of non-smokers (100 %) who do not follow a religion or do not follow any life philosophy (100 %) and have an average state of health (100 %). They significantly differ from the group of healthy rationalists only with their worse state of health, if we evaluate the general health of the group as a whole.

Based on the most numerous characteristics of the visitors, related to their lifestyle, we present geodemographic and socio-economic profiles of the identified segments in the Table 2.

The survey confirmed that in most characteristics of geodemographic profile segments there are only insignificant differences (up to 10 %). More significant differences were only observed in a proportion of individuals with permanent employment in the total number of visitors, which among healthy rationalists differed from the ratio of pleasure seeker of 15.2 %.

We state that most visitors in each of the identified segments are Slovak, their place of residence is a city (with a population of 5,000-100,000). They are mostly of a working age with almost equal representation of both sexes. At the time of the survey most visitors had permanent employment. Visitors were accompanied mainly by one person and their average spending per stay ranged from EUR 382.80 (holistically oriented) to EUR 418.30 (pleasure seekers). The division of expenditure in each segment was about the same. The largest share of expenditure was spent for accommodation, followed by food, medical/wellness services, and transportation. The lowest share was spent on travel insurance in all segments.

Table 2: Geodemographic and Socio-economic Profile of Identified Segments

Profile	*Variables*	*Identified segments*			
		Pleasure seekers	*Holistically oriented*	*Healthy rationalists*	*Rationalists with average health*
Geodemographic	Nationality	Slovak (62.6 %)	Slovak (66.6 %)	Slovak (67.5 %)	Slovak (69.2 %)
	Size of the city*	city (52.2 %)	city (53.0 %)	city (59.1 %)	city (61.7 %)
	Age group	30-39 (28.2 %)	30-39 (27.0 %)	19-29 (28.1 %)	40-49 (26.1 %)
	Sex	male (55.5 %)	male (53.7 %)	female (57.8 %)	female (60.8 %)
	Employment status	Permanent employment (82.7 %)	Permanent employment (72.2 %)	Permanent employment (67.5 %)	Permanent employment (79.2 %)
Socioeconomic	Number of accompanying persons (modus)	1	1	1	1
	Average expenditure for a holiday (in EUR)	418.3	382.8	482.5	402.5
	Average expenditure for transportation (in EUR)	55.7	34.1	45.0	43.6
	Average expenditure for food (in EUR)	70.0	70.6	96.4	69.5
	Average expenditure for medical/wellness services (in EUR)	68.1	71.6	59.1	56.2

	Average expenditure for entertainment and sport (in EUR)	24.8	27.6	25.7	21.2
	Average expenditure for shopping (in EUR)	35.0	27.1	32.0	35.8
	Average expenditure for accommodation (in EUR)	158.8	151.8	218.0	172.5
	Average expenditure for travel insurance (in EUR)	5.9	4.9	6.3	3.7
	Accomplished education	Secondary (53.9 %)	Secondary (49.1 %)	University (53.2 %)	University (56.7 %)
	Source for financing wellness stay	own (79.0 %)	own (75.5 %)	own (79.3 %)	own (72.5 %)

*Note: Capital city/big city (more than 100,000 inhabitants), towns (from 2,000 to 100,000 inhabitants), villages (less than 2,000 inhabitants)

Source: Own elaboration, 2015.

For all identified segments we created psychographic profiles. We state that between all the segments there are only slight differences in their characteristics.

Table 3: Psychographic Profile of Identified Segments

Variables	*Identified segments*			
	Pleasure seekers	*Holistically oriented*	*Healthy rationalists*	*Rationalists with average health*
Average length of holiday, focused on health, during 1 calendar year (in the number of nights)	6.1	6.4	7.3	6.1
Frequency of wellness holidays during 1 calendar year	max. 1x (45.6 %)	max. 1x (43.8 %)	max. 1 x (41.7 %)	max. 1 x (42.2 %)
The type of accommodation	hotel (25.7 %)	wellness hotel (23.8 %)	hotel (26.2 %)	hotel (22.3 %)
The most common source of information about wellness holiday	internet (60.4 %)	internet (56.9 %)	internet (57.1 %)	internet (60.8 %)
Decision about the choice of destination influenced mainly by	positive experience* (47.0 %)	positive experience* (41.7 %)	positive experience* (48.7 %)	positive experience* (50.8 %)

Preferred activities during wellness stay	wellness activity (82.0 %)	wellness activity (81.5 %)	wellness activity (87.7 %)	wellness activity (85.0 %)
The type of the stay	relaxation (57.1 %)	relaxation (52.6 %)	relaxation (50.0 %)	relaxation (54.6 %)
The main use of wellness services during the stay	thermal spa, therapies in thermal water	thermal spa	therapies in thermal water	thermal spa
Attitude toward healthy nutrition	follow (59.2 %)	follow (54.6 %)	do not follow (46.1 %)	do not follow (47.5 %)
Fitness activities	(61.1 %)	(61.6 %)	(61.2 %)	(67.8 %)
Used wellness services in everyday life	sauna, therapies in thermal water, thermal spa, sport activities, massages	sauna, therapies in thermal water, thermal spa, sport activities, massages	sauna, therapies in thermal water, thermal spa, sport activities, massages	sauna, therapies in thermal water, thermal spa, sport activities, massages

*Note: own or experience of acquaintances

Source: Own elaboration, 2015.

The most significant difference was identified in the number of overnight stays of all segments, focused on health during the calendar year. The stay of healthy rationalists is 1 night longer in comparison with other segments.

Regarding the results of the survey and the finding that the differences between the identified segments of the profile characteristics are small, we believe that taking these differences into consideration is not a priority in the development of the marketing mix for guests of wellness facilities in studied regions in Slovakia.

Discussion

In the paper, we characterized four segments of wellness visitors in relation to their lifestyle. We used the method of Two-step Cluster Analysis. We verified the theory that the segmentation process can occur if particular segments arise as a result of the clustering preferences of market. It means that after the identification of these segments a potential business offer can be targeted on all sectors or specialize in only some of them.

The tourism market segmentation is closely related to the typology and identifying of the types of visitors and some similarities in their behavior. Market research, aimed at consumers, their typology, characteristics and consumption motivation are often carried out in other sectors than tourism. Nevertheless many results can be used in tourism, which presents the links between tourism and related sectors.

According to Smith and Puczkó (2008) there are relatively few surveys exploring segments and profiles of wellness visitors. The current typology of wellness visitors by Danna and Cohen (in: Apostolopoulos, Leivadia, Yiannakis 1996, p. 228) does not sufficiently explain and illustrate the actual conditions. It often only describes collective trends and does not take into account individual preferences and individual behavior of visitors (Sharpleyin Smith, Puczkó, 2008). The authors state that many traditional typologies, which can be used in tourism are more than 10 years old and do not reflect current trends of individual's lifestyle. (Fingerhut et al., 1973) – typology according to motives and activities carried out during the participation in tourism (in: Gúčik, 2010), Hahn (1974) – typology according to the guests behavior during the holidays (in: Gúčik, 2010), SRI Consulting company in the 70's of the 20th century – typology VALS (Values and Lifestyles) according to the values and lifestyles (in Mitchell, 1983), Krippendorf – typology according to negative characteristics of visitors (in: Krippendorf, 1996); Ferner (1993) – typology according to lifestyles and consumer behavior etc.

Conclusion

In our paper, we identified four segments of wellness visitors in relation with their lifestyle. We assume that this segmentation methodology for wellness visitors in accordance with their lifestyle could be used in further research process, as well as in business practice. The hypothesis is that there are acceptably stable segments of wellness visitors in selected tourist regions in Slovakia is confirmed.

We found that pleasure seekers differ from other visitors mainly with tobacco consumption in everyday life – all the pleasure seekers are smokers. We consider the possibility to expand the survey and find out how many of them are interested in quitting the smoking. If there were positive results of research there could be a possibility to focus these services to wellness visitors who have the ambition to give up smoking. Holistically oriented visitors follow particular religion or philosophy of life. It would be suitable to examine how this aspect is reflected in their needs and ideas about holidays. The general health of healthy rationalists is the best of all segments. This finding opens the door to a deeper examination of their expectations from wellness holidays.

We can conclude that market segmentation is an important entrepreneurial practice for wellness hotels. The identification of key areas of consumer interest and the creation of offerings which takes into account their specific requirements, as well as a suitable marketing mix influence the frequency of visiting the wellness facility. The overall satisfaction of visitor with the holiday, can positively influence their desire to follow wellness lifestyle in everyday life health.

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Martin Petříček, Martina Sochůrková

THE USE OF MONTE CARLO SIMULATION IN HOTEL REVENUE MANAGEMENT

Abstract: *The paper describes the connection of Revenue Management software in the hospitality industry and of the use of simulation approaches for estimating future revenues. The main goal of the article is to apply the Monte Carlo simulation method to Revenue Management of one particular hotel. Attention is focused exclusively on the Monte Carlo probabilistic simulation, where future revenues are predicted on the basis of partial predictions of individual segments. Total output can then be used for further analysis and financial planning in the hotel.*

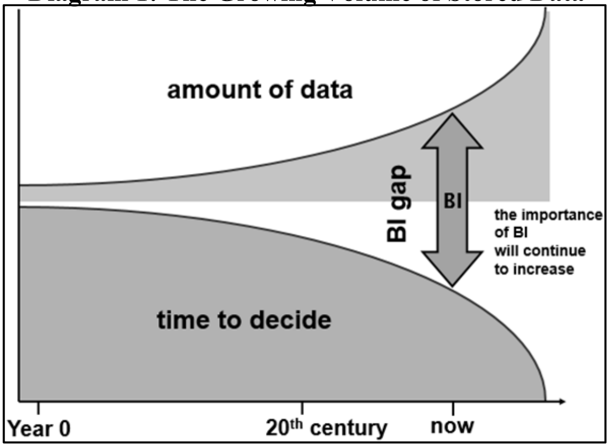
Key words: *business intelligence, hotel information systems, Monte Carlo simulation, revenue & yield management, revenue prediction*

JEL Classification: *A10, L83, M31*

Introduction

The past decade has seen an explosion in the use of information and communication technologies, which has fundamentally transformed many industries' business models. New technologies were also created in the hospitality and tourism industries in the form of Global distribution systems, Internet reservation systems, hotel software, technologies such as Channel Management systems or Revenue Management and Business Intelligence. The Internet has opened up new avenues and opportunities in how hotels present themselves to clients, primarily in the sale of tourism services. The first computer reservation systems began to be used with rail and air transport for the reservation and sale of airplane and train tickets. With the creation of the Internet and globalization these first systems were transformed into Global Distribution Systems (Amadeus, Worldspan, Galileo, Sabre), which began to be implemented on a global level. GDSs were just the first step for the development of the Internet reservation systems (Booking, Expedia, HRS) that gradually evolved from them. Hotels, having become increasingly more aware of the potential of the Internet and the possibility of these sales channels, began collaborating with several Internet reservation systems (IRSs) and started to concentrate on this issue and its development. The usage of multiple systems led to an increase in jobs to operate this software which, in turn, led to a spike in employment opportunities focused on the sale of accommodation services over the Internet. With the advent of E-business in the field of hospitality and tourism, specific new information systems such as Channel Management help to manage multiple IRS extranets or keep track of price competition and price parity in the hotel's online sales. The volume of different kinds of data is increasing also in hospitality and tourism, thanks the growing influence of Internet marketing and E-business development, which is due to greater use of ICT in all spheres, as demonstrated by numerous statistics [5].

Diagram 1: The Growing Volume of Stored Data



Source: [11], 2015.

Demand for analytically-prepared data is growing and, in comparison with other disciplines, in tourism it is rare to see the usage of quantitative analytical methods for data treatment, because the hotel MIS did not have such complex functions for deeper analysis (and indeed, many still do not). Many managers collect their decision-making information and data from hotel information systems (e.g. Micros Fidelio, Opera Micros, Protel, Mefisto), Internet Reservation Systems (e.g. Booking, Expedia, Hrs, Lastminute.com) and other accounting and inventory management systems (e.g. Pohoda, Money S3, ABRA), but even they still use outdated methods for processing largely descriptive statistics. Specialized software is costly and usually only larger organizations with more capital can afford it. Thus, with the larger volume of data and the increase in need for quality analysis, demand has risen for the development of specialized software that would help managers in planning, organization, decision-making, and preparing budgets, forecasts, or pricing and strategies. The descriptive statistics are not enough to base important decisions on as they record the past and present condition of the hotel, but fail to meet the need of a deep analysis, forecasting and predicting pricing, sales or occupancy. This area is covered mainly by systems of Business Intelligence and Revenue Management, which play an integral part in the hospitality field. Business Intelligence is: *"The process, technologies, and tools needed to turn data into information, information into knowledge, and knowledge into plans that drive profitable business action. Business intelligence encompasses data warehousing, business analytic tools, and content/knowledge management."* [2]

The growing competition, the development of ICT, and the crisis in the hospitality industry, which has been evident in the last few years, is demonstrated by the statistics of the Czech Statistical Office (ČSÚ) regarding the number of foreign tourists [8], these factors prompted hoteliers to rely more heavily on Business Intelligence and Revenue & Yield Management software solutions. These systems are able to optimize the hotel profit on the basis of deep analysis, simulations and other special techniques. This is a set of tools for predicting which works by using optimization models and practices in order to maximize profits. Revenue & Yield Management also falls under the discipline of economics. It helps control and set prices in tandem with individual market segments and, on the basis of statistical analyzes and forecasts, yields an optimal price or, using various simulations, estimates the amount of revenues for a defined period and segments.

Materials and Methods

To estimate the expected returns of Revenue Management in hospitality, several approaches can be used (see [3] and [6]). The simulation method approach will be introduced and applied in this article. Simulation is the process of creating a model of a real system and conducting experiments with this model in order to achieve a better understanding of the behavior of the system in question and to assess how different operational variables affect this system. The simulation used in this paper falls into the category of probabilistic simulations and is represented here by a method known as Monte Carlo. Monte Carlo simulations have proven to be highly effective in a variety of disciplines in business economics, including the area of Revenue Management in the hotel industry [12]. It has often been used for risk analysis or to estimate the random variables in process control during optimization ([9], [7]).[1] Preconditions for the use of probabilistic simulations through the Monte Carlo method are essentially twofold: First, the set of values of states is discrete. It is therefore an assumption that we choose from the final state of each variant. Second, time is a continuous variable. Monte Carlo simulations generate a high number of scenarios, numbered in the dozens, if not hundreds. The output is therefore not the information on the individual sub-scenarios of possible future developments, but the statistical characteristics of the probability distribution, which is actually the output of this simulation. It should be stressed that the simulation process is always connected only to estimated appropriate variables based on input information of the whole process. The advantage of simulation in general is that a business entity can test the effects of specific future decisions. On the other hand this kind of simulation method is substantially influenced by setting appropriate probability distribution. Some authors also recommended to use their own distribution or combine several of them together ([7], [4]). In this article

[1] These include simulations of the system dynamic, which allows complex simulations of the entire economic system, not only sub-processes (e.g. more in Kingston, 2001).

we are using betaPERT distribution, which is highly variable and therefore can partially eliminate this deficiency.

The following default assumption will be used to estimate future revenues in the observed hotel according this formula (1)

$$TR = P_1 * Q_1 + P_2 * Q_2 + \ldots + P_n * Q_n , \tag{1}$$

where P denotes the price and Q quantity demanded (number of expected room nights), individual indices (1, 2, ... n) denote here the individual groups to which "beds" per night are sold. A cross-section of corporate clients (companies), leisure clients (travel agents) and Internet Reservation Systems have been chosen based on the expert interview. Furthermore, it is necessary to determine two basic parameters in order to perform the simulation: The probability distribution of quantity demanded (most likely prices as well), and especially then the level of dependence between P and Q. This will have a negative value and will determine the sensitivity of demand. Also for this reason, the probability distribution of the random variable Q is determined on the basis of three parameters and the betaPERT division is used. Three parameters of this distribution (minimum, maximum, and the most probable value) are in practice quite easy to derive, and there is little difficulty in assigning them values from an interview with an expert.

Results

The initial starting position assumed that the expected revenues will be set considering historical values from the previous period. They correspond to the following formulas:

TR = 2,722 * 25 + 2,415 * 640 + 2,208 * 150
TR = 1,944,850 CZK

Now we extend this simplified assumption of simulation approaches. First, we need to specify individual segments in greater detail, respective to their demand. If we specify the individual demands of the segments of corporate clients, travel agents and Internet Reservation Systems, their curves can be visualized as in Diagram 2.

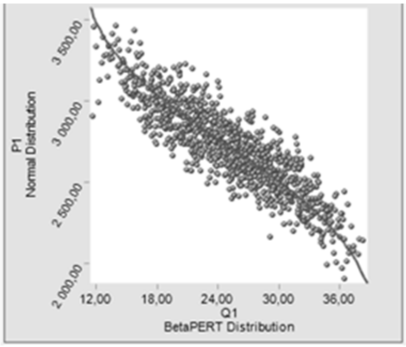
The slope of the individual demand curves for a chosen segment is dependent upon the expert interview, in which the following parameters were defined:

- the minimum expected quantity demanded;
- the maximum expected quantity demanded;
- the most probable quantity demanded;
- standard deviation of the prices (due to special offers for individual segments, last minute offers responsive to changes in occupancy caused by, for example,

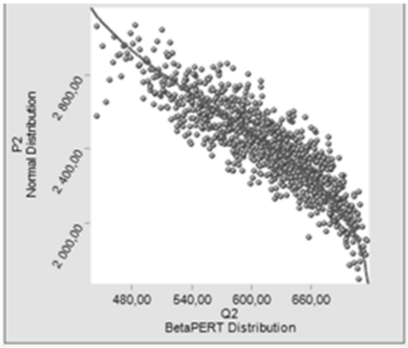
cancellations of reservations or because of no-shows, or due to influence of discounts).

The correlation of price and quantity demanded at the same time has been set to a value of (-0.9). Some authors (e.g. [4]) have recommended a value of (-0.75). This value is set higher because the segments are quite well-defined.

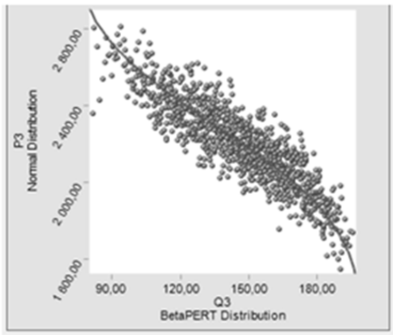
Diagram 2: Demand Curves



Demand Curve1



Demand Curve 2



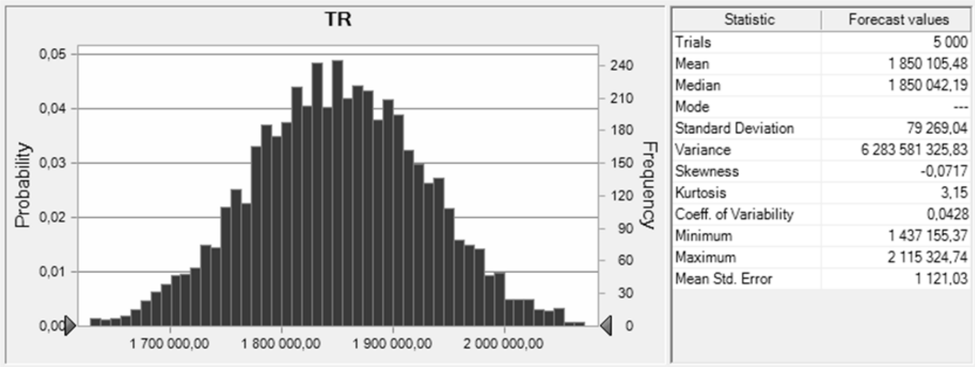
Demand Curve 3

Source: Own processing, SW Crystall Ball, 2015.

In Diagram 2 the individual demand curves are presented in our segments, where the Curve 1 indicates corporate clients, Curve 2 Internet Reservation Systems and the Curve 3 the segment of leisure clients (travel agent).

If we enter the above described inputs to the simulation process, we obtain the following form of the probability distribution of the expected revenues in the observed hotel. The mean of these sales is 1,850,105.48 CZK – a significant deviation from the original assumption.

Diagram 3: Revenue Prediction



Source: Own processing, SW Crystall Ball, 2015.

We could recommend working with mean values in further calculations. Equally interesting is the expected range of sales as derived from the minimum and maximum expected value, which can serve as another important indicator for future planning. If we incorporate a requirement for the minimum value of sales in presented probability distribution as well, we find the percentage that reflects the probability of achieving the minimum profit. This yields the Value at Risk (see [10], [1]). The minimum required sales are 1,790,000 CZK in the stated case, which the hotel reaches next year with a 77% degree of certainty. The simulation can also be performed again on the basis of outputs so that we figure out how to change the expected revenues in a situation where we raise the price of the selected segment. This process, however, is beyond the scope of this paper.

Conclusion

This paper presents the possibility of utilizing the Monte Carlo method simulation approach to estimate the expected revenues in the hospitality and the connection of the use of these simulations with revenue management. The hotel systems of business intelligence, under which fall the aforementioned Revenue Management systems, very often use different simulations (including Monte Carlo simulations) for forecasting and the prediction of revenue, occupancy, and prices. The described simulations show that using these approaches resulted in a lower expected value of sales and the revenue manager has the opportunity to work with other statistical characteristics of this prediction. In particular, it is standard deviation, range and use of indicators such as Value at Risk.

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Ľubica Šebová, Kristína Pompurová

FINANCIAL SITUATION OF THE ACCOMMODATION AND HOSPITALITY SERVICES SECTOR IN SLOVAKIA IN THE YEARS 2009-2013

Abstract: *The main aim of the article is to explore and evaluate the financial situation of the enterprises in the field of accommodation and hospitality services in Slovakia in the years 2009 to 2013. The main data source for financial analysis is acquired from the annual bulletin of Mean Values of the Financial Indexes of Economic Activity of the Slovak Republic. The financial analysis provides us with the information about the financial situation and development of the basic financial indicators, signalises the main financial risks and provides grounds for possible improvements of the enterprises. Based on the information from the bulletin, we have found out that the financial condition of the accommodation and hospitality services activities in the years 2009 to 2013 was unpleasant.*

Key words: *accommodation services, financial analysis, financial situation, hospitality services*

JEL Classification: *C40, L80, M1*

Introduction

Financial situation of the accommodation and hospitality services sector is influenced by several factors. The object of the article is the financial analysis of the sector of accommodation and hospitality services (hereinafter only sector) for a period of five years from 2009 to 2013. Our intention is to evaluate the financial situation of the industry using financial analysis and to highlight the factors that have influenced its development. Financial analysis of the sector of accommodation and hospitality services is preceded by its characteristics, based on the available data of the Statistical Office of the Slovak Republic, published in the statistical yearbooks and on the website of the office. We will focus particularly on revenues from own services and products, employment, average wages and labor productivity. After that we will analyze and compare financial ratios of the sector we have gained from yearbooks of the financial indicators of economic activities of the Slovak Republic from the selected period of time. We follow representative financial indicators providing a picture of liquidity, activity, debt and profitability as the main aspects of the financial situation of the accommodation and hospitality services.

Materials and Methods

The aim of the study is to monitor and evaluate the financial situation of accommodation and hospitality services sector in Slovakia in the years 2009 to 2013. We are evaluating the enterprises which are registered in the commercial register and accounting in the system of double entry bookkeeping. Financial situation is evaluated using financial ratios of activity (efficiency), liquidity, profitability and debt (leverage) with regard to the available data and data obtained from the accounts of the sector enterprises. Sources of information are secondary data obtained from the yearbooks "Mean values of the financial indexes of economic activity of the Slovak Republic" (SCB, 2010, 2011, 2012; CRIF 2013, 2014), Statistical Yearbook (2009, 2010, 2011, 2012, 2013) and data from the Statistical Office of the Slovak Republic (2015).

The sector of accommodation and hospitality services belongs to the sphere of services. Accommodation and hospitality enterprises are according to the classification of economic activities NACE rev. 2 included in Section I – Accommodation and hospitality services. Hotels and restaurants include providing of short-term accommodation in hotel establishments and inns, hospitality services and other special purpose food service (Statistical Yearbook of the Slovak Republic, 2009, p. 474).

By monitoring and evaluating the financial situation of the sector we will focus on the analysis of a set of indicators – representatives. Indicators of sector's financial analysis industry allow to gain a quick picture about its basic financial characteristics and provide valuable information for all subjects in the sector, as well for those subjects contemplating their entry in any form into the sector. We are speaking about financial indicators which are most commonly used to characterize the financial situation – liquidity, activity, debt and profitability. From liquidity indicators we will follow the quick and current ratios, from the activity or efficiency indicators we evaluate average collection period, creditors payment period, inventory turnover and assets turnover ratio. In terms of debt, we will focus on evaluating the debt ratio, debt to equity ratio, long-term assets leverage ratio, loan assets leverage ratio and interest coverage ratio. In the final we evaluate the profitability ratios – return on assets, return on equity and operating return on sales for the industry during the reporting period. The analysis will be based on the mean values – the medians for each ratio and units indicators. "This statistical method of treatment is in contrast to the average less sensitive to the frequency of entities included in the processing, to the extreme values and means a real existing variable" (Tóthová, 2002, p. 72).

Table 1: Overview of the Monitored Financial Ratios

Indicator	*Formula*	*Rank*
Quick ratio	(Current assets – Inventories)/Current liabilities	(1)
Current ratio	Current assets/Current liabilities	(2)
Average collection period	Average accounts receivable/(Net sales/365)	(3)
Creditors payment period	Average accounts payable/(Total purchases/365)	(4)
Inventory turnover	Average inventory/(Net sales/365)	(5)
Assets turnover ratio	Net sales/Total assets	(6)
Debt ratio	(Total liabilities/Total assets) x 100	(7)
Debt to equity ratio	Total liabilities/Total equity	(8)
Long-term assets leverage ratio	(Long-term liabilities/Total assets) x 100	(9)
Loan assets leverage ratio	(Loans/Total assets) x 100	(10)
Interest coverage ratio	Earnings before interest and taxes (EBIT)/Interest expense	(11)
Return on assets (ROA)	(Net income/Total assets) x 100	(12)
Return on equity (ROE)	(Net income/Shareholder`s equity) x 100	(13)
Operating return on sales (ROS)	(Operating net income/Sales) x 100	(14)

Source: Own elaboration, 2015.

In addition to the methods of the financial analysis we use the methods of scientific abstraction, synthesis, induction and deduction, comparison and generalization.

Results

In the years 2009 to 2013 on the territory of Slovakia was in average of 3,893 accommodation facilities (the number of the establishments was lowest in 2011 – 3,011 accommodation facilities), of which approximately 80 % are mass accommodation establishments and 20 % private accommodations. From collective accommodation establishments make the hotel type establishments approximately 50 % (in 2013 the number of collective accommodation establishments was 2,803, including 1,439 hotels and guesthouses). The average accommodation capacity utilization at that time was only 22 %. The mentioned facilities form a sector of the tourism.

According to the legal form about 85 % of hotels and restaurants are based by personal entities, the remaining 15 % goes to legal entities. In terms of size of subjects according to the number of the employees, in 2013 was 88.9 % of micro-enterprises (0-9 employees), 10 % of small businesses (10-49 employees), 1 % medium-sized enterprises (50-249 employees) and 0.1 % of large businesses (250 or more employees) (ŠÚSR, 2014). Basic performance indicators of the accommodation and hospitality sector (sales for services and products, the average number of employees, average monthly wage, labor productivity) in the years 2009 to 2013 are captured in the Table 2.

Table 2: Basic Performance Indicators of the Accommodation and Hospitality Services Sector in the Years 2009 to 2013

Year/Indicator	*Sales for services and products in mil. EUR*	*Average number of employees*	*Average monthly wage in EUR*	*Labor productivity in EUR*
2009	1,172.62	47,605	434.03	24,632.29
2010	1,092.80	44,100	453.00	24,780.05
2011	1,105.00	43,940	455.00	25,147.93
2012	1,134.20	44,341	465.00	25,579.04
2013	1,170.90	44,946	554.00	26,051.26
Average	1,135.10	44,986	472.21	25,238.11

Source: ŠÚSR, 2015.

Development of the sales for own services and products in the accommodation and hospitality services sector had variable course over the horizon of years. The largest decline was recorded in sales in 2010, where the sales decreased approximately by 6.8 % compare to the previous year, because as a result of the economic crisis the companies have cut production and reduced the number of the employees. In the next period the sales had growing course, although the tempo of the growth has been slow. The average value of sales for the selected period is EUR 1,135.10 million.

The average number of the employees in the monitored period was 44,986 employees, there was a decrease of 5.59 % from 2009 to 2013. The share of the industry on total employment is around 2.2 %. Labor productivity is growing, labor productivity was the lowest in 2009 (EUR 24,632.29), which was due to the economic crisis, where a big decline in the number of visitors in hotels and restaurants caused a decline in sales and subsequent firing of employees. According to surveys in 2009 there was also a significant decrease in the number of domestic visitors by 17 % and foreign visitors by 27 %. Subsequently in 2010, the stabilization of the sector was noticed, which resulted in increase of the visitors number. By 2011 the number of the domestic visitors increased by 2 % and foreign visitors by 10 % compared to the year 2010 (Ministry of Transport, Construction and Regional Development of the Slovak Republic, 2013). According to many experts, the reason of the lower number of visitors was not only the economic crisis but also the high prices for the hotel accommodation (Blažej, Kováč, 2009). Since 2011 the labor productivity in the sector is growing with a moderate tempo until 2013 (EUR 26,051.26). Average labor productivity for the selected period is EUR 25,238.11.

The characteristics of the analyzed enterprises in the sector of accommodation and hospitality services in the years 2009 to 2013 captures Table 3. The data was obtained from published Mean values of the financial indexes of economic activities of the Slovak Republic. The data are processed based on the data of financial statements of business entities registered in the commercial register which are accounting in the system of double-entry bookkeeping. The research sample does not include personal entities doing business under the trade license, which have major representation in the industry of accommodation and hospitality services (about 85 %).

Table 3: Characteristics of the Accommodation and Hospitality Services Sector Businesses

Year/Indicator	*Number of registered business enterprises*	*Number of analyzed subjects*	*Quota in %*
2009	4,437	2,386	53.8
2010	5,023	3,701	73.7
2011	5,443	3,369	61.9
2012	5,814	3,982	68.5
2013	6,640	4,746	71.5

Source: ŠÚSR, Mean Values of the Financial Indexes of Economic Activity of the Slovak Republic in 2009 to 2013, 2014.

Number of registered subjects has grown every year, the proportion of analyzed subjects in the total number of entities registered in the commercial register was in average about 66 %. The remaining 34 % of businesses was not included in research due to unsatisfactory values reported in their financial statements on the basis of set criteria or because of the preparation of the separate financial statements under IAS / IFRS.

Liquidity analysis

By the liquidity indicators we examine the ability of company to repay short-term obligations. Liquidity ratios can reach different values in the hotels. This is due to different size, class, location, character of the hotel, etc. A common problem is that many hotels do not consider financial planning for essential. According to the research mostly larger hotels and tourism companies are targeting on the management of solvency, financial planning and financial analysis. This means that the larger the hotel, the higher the urgency of applying the analysis of liquidity, but also small businesses should have knowledge about their liquidity and cash flows. We evaluate liquidity of the sector on the basis of two indicators – quick ratio (1) and current ratio (2) (Table 4).

Table 4: The Development of the Liquidity Indicators of the Accommodation and Hospitality Services Sector in the Years 2009 to 2013

Indicator/Year	*2009*	*2010*	*2011*	*2012*	*2013*
Quick ratio (coeff.)	0.53	0.48	0.51	0.63	0.76
Current ratio (coeff.)	0.74	0.69	0.76	0.86	0.97

Source: Mean Values of the Financial Indexes of Economic Activity of the Slovak Republic in 2009 to 2013, 2014.

Average sector liquidity is low. Recommended values for quick ratio are in the range of 1 to 1.5, current ratio in the range of 2 to 2.5. Top liquidity values were achieved in 2013 (quick ratio 0.76 and current ratio 0.97). We notice positive trend in the selected period of the years, reflected in a gradual increase in the values of liquidity ratios, although final values are still low. Low values of liquidity mean that companies do not have sufficient liquid assets to cover current needs. The value of the quick ration in 2013 0.76 tells that businesses are able to pay only approx. 76 % of current liabilities by current assets. Even after taking into consideration the least liquid component of current assets – inventory, the current ratio of the sector is only slightly higher than quick ratio. Therefore we can say that the typical company in the field of accommodation and hospitality services has even after monetization of its current assets problems to cover its current liabilities and commitments.

Activity analysis

The value of liquidity indicators, which was reached by the accommodation and hospitality services enterprises in the selected period of years is reflected in the development of activity (efficiency) indicators. By the activity analysis we examine how effectively the company is able to realize its assets, these are the indicators of turnover ratios. Furthermore we are monitoring the indicators of turnover days, which reflect how long the assets are bound in sales. By the turnover ratios the aim is to maximize their value, by the indicators of days of turnover the aim is to minimize their length. By the analysis of activity we will focus on the following indicators: average collection period (3), creditors' payment period (4), inventory turnover (5) and asset turnover ratio (6) (Table 5).

Table 5: The Development of the Activity Indicators of the Accommodation and Hospitality Services Sector in the Years 2009 to 2013

Indicator/Year	*2009*	*2010*	*2011*	*2012*	*2013*
Average collection period (days)	7.08	7.22	6.28	8.52	8.25
Creditors payment period (days)	20.20	22.81	19.85	22.99	23.28
Inventory turnover (days)	7.15	7.03	6.78	5.76	5.46
Assets turnover ratio (coeff.)	1.04	1.16	1.10	1.09	1.08

Source: Mean Values of the Financial Indexes of Economic Activity of the Slovak Republic in 2009 to 2013, 2014.

Average collection period in the accommodation and hospitality services sector was ranging from 6.28 to 8.52 days in the monitored period of time (Table 5). This means that companies are waiting so many days to have paid the invoiced performance. Results of the indicator average collection period in the sector of accommodation and hospitality services can be evaluated positively. The lower value of the indicator, the less resources businesses need to finance their debts. A longer period of average collection period means that the funds are tied up in receivables and cannot be used. The optimal value for the indicator should be within 30 days and in if it excessed 90 days, we would consider the development of the indicator as negative. Most of the invoices are issued with day of payment between 14 to 21 days. The value of the indicator is even lower than that specified interval, it tells us about good payment discipline of customers. Average collection period should be compared with the creditors' payment period, comparing payment discipline of customers with company's own credit discipline. Creditors' payment period expresses how an enterprise meets its payment obligations to creditors. It is also affected by the liquidity of the enterprise. Negative values of liquidity indicate negative values of the mentioned indicator. By the high values may the companies affect to their suppliers unsolidly. Creditors' payment period during the monitored period ranges between 19.85 days to 23.28 days. Creditors' payment period is higher than average collection period, which means that the sector businesses are credited by their suppliers. Another indicator is inventory turnover, its value declined in the monitored period. It is a positive development reflecting the effective management of stocks. Because of the character of inventory in the accommodation and hospitality sector will be inventory turnover higher in the facilities providing hospitality services, since these stocks are characterized by shorter storage period, which must be processed on time. Assets turnover ratio provides a picture of the use of assets and expresses how many times the assets are returned in the form of sales per year. In the selected period the development of the indicator was variable with a maximum value of EUR 1.16 (2010), which means that on one euro of assets belonged EUR 1.16 of sales. The minimum value was EUR 1.04 (2009). Lower assets turnover ratio in the hotels is due to the impact of seasonality in demand for services of temporary accommodation, which is a limiting factor in the use of the property.

Analysis of debt

Debt ratios reflect the extent the measure to which the company uses its own or foreign capital to finance its needs and structure of the resources which were used for business purposes. Indicators present how the company is able to pay its debts and interest. Development of debt indicators as debt ratio (7), debt to equity ratio (8), long-term assets leverage ratio (9), loan assets leverage ratio (10) and interest coverage ratio (11) for the accommodation and hospitality services sector in the years 2009 to 2013 captures Table 6.

Table 6: The Development of the Debt Indicators of the Accommodation and Hospitality Services Sector in the Years 2009 to 2013

Indicator/Year	*2009*	*2010*	*2011*	*2012*	*2013*
Debt ratio (%)	85.20	91.86	88.38	86.84	84.06
Debt to equity ratio (coeff.)	6.76	11.81	8.53	7.60	7.45
Long-term assets leverage ratio (%)	0.18	0.21	0.16	0.12	0.11
Loan assets leverage ratio (%)	0.00	0.00	0.00	0.00	0.00
Interest coverage ratio (coeff.)	-48.29	-51.36	-45.27	-62.07	-51.74

Source: Mean Values of the Financial Indexes of Economic Activity of the Slovak Republic in 2009 to 2013, 2014.

Debt ratio testifies about the extent to which the property is covered by external financial sources. During the reporting period, the total debt of the assets was very high, the highest in the year 2010 (91.86 %). During the reporting period the development of indicator was positive, when the debt ratio decreased to 84.06 % in 2013. Nevertheless, the total debt which exceeds 60 % is too high. The quote of external financial resources more than 2/3 of the total resources is negative. The average company of the sector is disproportionately high in debts. The recommended value of the indicator is 30-60 %. Indicator debt to equity ratio indicates which value of liabilities is accounted for EUR 1 of equity. With zero debt, the coefficient is equal to 1. The higher the coefficient, the higher the debt, respectively, the higher is the share of capital from external sources. The highest value recorded the indicator in 2010 (11.81 – on EUR 1 of equity was accounted EUR 11.81 of assets of the company) and till 2013 decreased to 7.45 (down by 36.92 %), which is a positive trend. Long-term assets leverage ratio and loan (credit) assets leverage ratio clarify the structure of the external resources. Concerning the structure of external sources, we can see that the average company in the sector of accommodation and hospitality services has minimal long-term debt and does not draw any bank loans and overdrafts (zero value of loan assets leverage ratio). Long-term assets leverage ratio in the monitored period was the lowest in 2013 (0.11 %). Interest coverage belongs to the indicators that reflect the company's ability to repay its debts and interest expenses. It measures the number of times the company is able to pay the price of external capital. The indicator is measured on the basis of income result. The aim is to reach the highest positive coefficient. The value of the indicator was negative in each year of the selected period, which is already suggested by a loss. Negative development of the indicator deepens in the year 2012 to -62.07, i.e. enterprises operating in the sector of hotels and restaurants are not able to pay the cost of borrowed capital (interest).

Profitability analysis

Profitability indicators reflect whether the company is able to reach a profit and how it can valorize the capital invested into the business. From the indicators reflecting capital appreciation we will focus mainly on the return on equity – ROE (13) and return on assets – ROA (12). By examining the effectiveness of the accommodation and hospitality services we will analyze the operating return on sales (14) (Table 7).

Table 7: The Development of the Profitability Indicators of the Accommodation and Hospitality Services Sector in the Years 2009 to 2013

Indicator/Year	*2009*	*2010*	*2011*	*2012*	*2013*
Return on equity – ROE (%)	-11.67	-14.47	-10.89	-7.57	-5.91
Return on assets – ROA (%)	-2.78	-3.29	-2.46	-1.62	-1.51
Operating return on sales (%)	-7.78	-8.71	-7.41	-4.84	-4.35

Source: Mean Values of the Financial Indexes of Economic Activity of the Slovak Republic in 2009 to 2013, 2014.

Return on equity expresses the return on capital, which is expressed by profit after taxing. The development of the indicator in the sectors of accommodation and hospitality services in the monitored period of years shows the fluctuating values, while in all years the value of the indicator is negative. The maximum negative value of the indicator was reached in 2010 (-14.47 %), lowest in 2013 (-5.91 %). Return on assets reflects the efficiency of utilization of the total capital in enterprises, with no regard to the funding sources. Similarly the fluctuating as return on equity, but with lower negative values and smaller fluctuations recorded also the indicator return on assets. The maximum negative value was similarly as by the return of equity reached in 2010 (-3.29 %) and the least negative in 2013 (-1.51 %). Operating return on sales indicates how efficiently enterprises operate, how capable are the companies to generate profits by achieving sales. It is calculated as the Operating net income to sales. The purpose of the indicator is to determine how profitable and efficient companies realize their operational economic activity. The decline of the indicator may signal a decline in operational efficiency of management. If the ratio declines, the profit of the company can change into loss. Development of the indicator in the sector of accommodation and hospitality services in the years 2009 to 2013 is captured by Table 7. The lowest operating profitability was noticed in 2010 (-8.71 %). All indicators of profitability in the sector of accommodation and hospitality services were negative in the selected period of time, which means loss of the companies belonging to the sector.

Discussion

Accommodation and hospitality services sector is part of the tertiary sector of the national economy. Up to 85 % of subjects belong to the personal entities, remaining 15 % are legal entities (analysis regards to legal persons). The largest group of enterprises according to the size form micro enterprises, followed by small enterprises and only a small number of companies belong to the medium and large enterprises. We can say that by the impact of the economic crisis in 2009 there was a decline in visiting the hotels and restaurants, the decline in sales and employment in the sector. In addition to the impact of the economic crisis is negatively perceived and impropriate pricing policy in some companies of the accommodation and hospitality services sector and more other barriers from the intern or extern environment of the companies.

We have realized the financial analysis of the sector on a sample of enterprises keeping double-entry bookkeeping, whose data were processed in yearbooks "Mean values of the financial indexes of economic activities of the Slovak Republic", in the period of five years from 2009 to 2013. Over the selected period was the part of the analyzed subjects around 66 % of the total number of legal entities. For this reason, we cannot simply generalize all the facts, even we assume that similar results would be achieved also by the other enterprises in the sector.

The survey was focused on evaluating of the financial indicators of liquidity, activity, debt and profitability of the accommodation and hospitality services sector. We found out that the financial situation of the sector is not favorable, since most of the financial indicators during the period stated negative values. The worst results of the sector were in the field of debt and profitability, positive values were achieved by the indicators of activity.

According to the differences in size, class, location, character and diversity of services provided by the enterprises in the accommodation and hospitality services sector, companies can achieve different values of liquidity. Average sector's liquidity is low. Quick ratio should range among 1 to 1.5, current ratio in the range between 2 to 2.5. The best results in the field of liquidity were reached in 2013 (quick ratio was 0.76 and current ratio 0.97). Although the sector's liquidity indicators have recorded a positive trend of development, demonstrated by a maximum value in the last year of the researched period, their values are still below the theoretically recommended values. It would be appropriate to discuss whether the companies of the accommodation and hospitality sector should not have set different intervals of recommended values according the character and structure of their current assets.

Conclusion

All followed indicators of profitability of the accommodation and hospitality services sector recorded negative values in the period of 2009 to 2013, which means that the trading income of the sector's enterprises sector was negative, which means companies recorded a loss. We assess that hotels and restaurants, as well as the entire industry of accommodation and hospitality services, cannot use capital effectively and are operating inefficiently. The negative development of the indicators of activity, liquidity and debt is reflected in the indicators of profitability. Sector enterprises are unable to pay debts and interest to creditors. Evaluated businesses do not have sufficient liquid funds to repay their debts, which is reflected in high corporate debt and negative profitability. Activity indicators values are most positive of all indicators of sector's financial analysis in the selected period of years. Lack of liquidity was negatively reflected on debt ratios. Although the values of long-term assets leverage ratio and loan assets leverage ratio are minimal (loan assets leverage ratio has even zero value), the value of the debt ratio of the sector reached high values excessing the maximum recommended limit of 60 %. The inability of accommodation and hospitality services enterprises to pay the price of borrowed capital describes interest coverage ratio, whose values were negative every year. Above specified variables are negatively reflected in the profitability indicators whose values were negative during the whole period. The solution of this situation must begin in the first place by the companies of the sector, which should be interested in their financial situation, they should be able to evaluate it and should be familiar with the appropriate tools for its management.

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SURVEY PAPERS

Petr Frischmann

NEW INSTRUMENTS OF CORPORATE GOVERNANCE IN THE CZECH HOSPITALITY BUSINESS

Abstract: *The goal of this article is to investigate potential future effects of significant change of the legal framework of enterprising affecting the business environment in the Czech Republic in relation to the hospitality business. New tools of corporate governance provided by new legislation can be utilized in adjusting the organizational structure of corporations to the specific needs of the hospitality business. Especially liberalization of the principles of corporate structures, strengthened liability of directors and protection of the family business are the main new instruments for more efficient long term planning and control of enterprising reaching the international standards.*

Key words: *contract, corporate governance, family business, liability, shareholder*

JEL Classification: *K22 ,G34, M14*

Introduction

The hotel and hospitality business represents a specific form of enterprising exposed to a variety of international and multicultural influence. This characteristic will apply not only to the customer relationships, but at the same time to the fundamental issues concerning the basic questions of the structures and forms of enterprising, strategic planning, forms and guarantees of contractual relationships among suppliers, labor issues, responsibility of managers and many other related issues which are to a large extent dependent on the particular business environment. The quality of business environment not only in this sector of enterprising is considered to be one of the leading factors for success.

Cultural and regional specifics of the business environment are significantly affected by numerous forms of state regulation among which the law of business is considered to be of dominant importance. The legal framework of enterprising in the hotel business is reflecting the cultural specifics of the particular country or region and at the same time is subject to the normative harmonization especially in the European context. Development and adaptation of this normative system is continuously based on the application of cultural standards in the process of application of law mostly through the interpretation of law being integral part of the decision making process (Tomášek, 2010). Development of the normative system in the form of change of written law itself represents a significant change of the normative framework affecting the social environment to a large extent. Effects of such change, however, will depend in some areas on public awareness of existence of the new rules and on the practical implementation of the new tools provided by the new legislation. This is namely characteristic for civil and business law. In the sphere of public law, entrepreneurs and other subjects are strictly required to get acquainted with changes of the legal regulations (e.g. taxation, hygiene norms, trade licensing, etc.) and follow the new legal requirements under the threat of sanctions. In civil and business law, however, a significant part of new legislation is providing a set of new tools and possibilities utilization of which is dependent on the free will of subjects involved. Not only the sole existence, but awareness, knowledge and practical implementation of such tools can therefore substantially affect the whole character of business environment in such cases.

A business-friendly legal framework is generally characterized by reduction of state restrictions and granted level of contractual freedom on one side and efficiency of institutionalized enforcement of individual rights and duties mostly incorporated in contracts on the other side. While the first mentioned element is guaranteed by reduction of direct state influence over the free will of entrepreneurs expressed in their contracts, the second mentioned element requires strong and efficient state support in the process of enforcement of individual claims of entrepreneurs. Contractual freedom together with a well-functioning court system therefore creates vital elements of a successful business environment. An optimal balance of state inherence in this respect represents therefore an integral parameter of every legislative consideration concerning the modification of the existing legislative framework of business. This parameter is also considered to be one of the key elements of the business environment and as such is subject to dynamic change reflecting the social dynamic.

Materials and Methods

The legislative framework of business in the Czech Republic has been significantly modified by adoption of a large body of legislation effective January 1^{st} 2014. Re-codification efforts of previous decades have been successfully accomplished mainly by introducing pair of new comprehensive acts of large importance: New Civil Code No. 89/2012 Coll. (NCC) and Business Corporation Act No. 90/2012 Coll. (BCA).

Most of the relevant studies in relation to the hotel and hospitality business so far were focused on the new rules of NCC concerning the law of contracts and especially the new principles of reimbursement for damage caused to clients by rendering defective services or by the cancelations. These parts of legislation are also the most widely discussed tourism business related norms. New legislation is, however, providing for many other new instruments of high importance applicable to the hotel and tourism business among which undoubtedly rules governing the setup of business entities, corporate structures, responsibility of managers and related issues are of the main importance.

The main goal of this article is to analyze new instruments of corporate governance provided by NCC and BCA regulation and determine possibilities of its practical implementation in the process of structuring company startups and at the same time to provide practical recommendation for desirable reshaping of existing corporate schemas in order to achieve the highest possible efficiency of performance of the hotel and hospitality business corporate management.

Based on this goal, this article is exploiting static and dynamic analysis of the legislative framework of enterprising consisting mainly of review of legislative texts together with analysis of leading decisions used in the process of interpretation of the new rules. In evaluation of the current trends in corporate law, the comparative method was used with respect to normative harmonization within the European Union together with the historical comparative method. Recent history in development of civil law mainly in Slovakia, Italy or Canada is considered to be of importance being inspiration for current Czech legislative changes in many respects.

This article is due to its limited extent not explicitly dealing with empirical case studies. Practical recommendations, however, are based on author`s practical international experience with existing corporate structures in the hospitality business.

Results

Business companies are the most popular form of the hospitality business together with self-employed entrepreneurs often involving family members to their enterprising (Růčková, 2008). Business corporations and especially capital companies are traditional forms of corporate governance in domestic environment legally recognized and regulated since the principal changes of sociopolitical situation in the Czech society by adoption of Business Code in 1991. According to recent statistics approx. 350,000 enterprising entities were registered in the form of business corporations.

Recent significant changes in legislation effective from 2014 provided especially for a simplified procedure of company setup, desirable variety of capital involvement, possibility of meeting individual needs by redesign of corporate ownership and decision making structures. New legislation gives more rights to shareholders to individually set for rules of business providing large room for possibility of individual setups different in many respects from the so far rigid statutory rules. New tools of corporate governance are making business companies more attractive especially for long-term corporate planning, transparency and control. The above-mentioned principal changes together with implementation of legal recognition and protection of family business are able potentially bring to the hospitality business a new set of tools representing a new impulse for business startups or reshaping and modification of existing structures of corporate governance (Brčáková, 2014).

Desirable liberalization of rules of corporate governance is balanced by implementation of new rules concerning responsibilities of managers both toward the shareholders and contractual partners providing for internationally accepted standards in this area following not only the EU legislation but also the broader international corporate paradigm.

Hotel and restaurant enterprising is specific by the nature of business but also by management schemes utilizing specific business standards of behavior, habits, customs and other socio-cultural internal norms. New legislation is providing for implementation of such standards by explicit recognition of their binding nature by NCC in large extent. Existing professional standards should be considered as legally binding if not in contrary to the law. This general rule opens the room for custom-made individualized relationships and rules utilizing the tradition and best practice of the each particular type of the hospitality business.

Family Business in Hotel and Restaurant Enterprising

A hotel and restaurant small and mid-size business is frequently run in the form of a family business. This phenomenon has a long historical tradition and the importance of the family business in this segment of enterprising is conditioned by socio-cultural and historical factors among which the tradition of ownership structures, continuity and long-term social stability are of main significance (Bainbridge, 2012). From this perspective the overall share of the Czech family business at the country`s economic wealth is not reaching the West European standards. The continuing tradition of the family business was interrupted by more than 40 years of state-controlled economy, which destroyed not only the ownership structures but also the culture of enterprising both of large traditional family firms and the mid size and small enterprising (Klipper, 1995). Apart from historical reasons the lack of appropriate legislation regulating and protecting family enterprising could be seen as one of the leading limiting factors of larger utilization of informal structures of this type after 1989. New regulation of family business meeting international standards and inspired in large extend by Italian experience (Codice Civil, 2013) provides for a set of rules which can be considered to be specific corporate governance tools. This will apply in broader sense despite the fact that a family business does represent a legal entity.

In the hotel and hospitality business especially the lack of transparent principles of family businesses in the past resulted in many controversies, legal disputes and gave rise to general negative impact on family interpersonal relationships which must be considered to be a vital prerequisite for this form of enterprising. Fair remuneration of the participating family members, participation in strategic decision making and lack of guaranties in the process of transfer of family businesses to new owners were most frequent objects of controversy. Legal recognition of family businesses and a set of rules adopted by new legislation were for above reasons eagerly awaited.

Specific importance of protection of the participating family members is needed mainly in common situation of the lack of formal contractual relationship among cooperating parties (e.g. labor contracts, contracts for work, executive contracts, articles of association, shareholders agreements, silent partnership agreements, etc.). NCC is providing for rules for family businesses applying automatically without the necessity of execution of any formal legal act, such as contract or similar. New rules for family businesses apply if the business is owned by one family member and run with the participation of at least one another close family member. A business run by spouses, however, will be primarily governed by the statutory proprietary rules for marriage. New rules provide protection not only to family members actively working in a family business but also working generally for the good of a family. This concept will apply in domestic environment mainly to the wife taking care of children and household. Even if not involved in family business enterprising the wife is in such cases considered to be a member of a family business and fully protected by this new set of important rights and guaranties.

All family business participants have right to profit share corresponding to amount and type of work performed as well as the right to their corresponding share at the assets owned by the particular family business. The new rules also provide for strong position of family members in their control over the enterprise. This influence is strong especially in the decision making involving cases exceeding day to day business decisions when majority vote of all family business members is required by new law. This rule is applicable mainly to decisions concerning new investments, strategic planning, distribution of profit, changes of basic strategy of business, excessive loans or mortgages and also to future transfers of the business share outside the family.

Protection of family business members in the case of business takeovers is guaranteed by a supplementary safeguarding set of rules establishing pre-emptive rights to the existing family business members. Pre-emptive rights in favor of family business members will also apply in the case of inheritance. In the case of termination of participation in a family business the leaving member is entitled to full pay-out of share. In daily hospitality business, however, strict application of this rule may result in the cash flow crisis of the enterprise. In order to prevent such negative financial impact new rules provide for possibility to use payment calendar for such pay-out. Lack of consent in this matter can be solved by court proceedings in which members of family business can seek protection against negative impact of pay-out to the current financial situation of enterprise. Court may order a pay-out calendar against the will of leaving family business member in such cases.

Recognition of the family business form by Czech law has a significant impact on labor law issues. Regarding the fact that the involvement in a family business is not based on the formal written agreements or other documentation state labor controls can no longer penalize family members for working at the hotel, restaurants or another premises of hospitality enterprise without formal documentation. The same principle will apply to trade licensing requirements – family business members are not required anymore to apply for a trade license. Lack of formal legal contracts and licenses among family business members cannot be sanctioned. This change will substantially affect general environment of enterprising in the hospitality business providing for desirable flexibility and liberalization to the organization of enterprise. New flexibility will make not only permanent cooperation of family members possible but also provides for tools of short-term necessary solutions. In the hotel and restaurant business it represents especially new flexibility of coping with characteristic seasonal problems in hotel business, peak hours in restaurants and similar differences of workload in this segment of enterprising. According to new legislation family members can be present and work at the enterprise premises anytime without need of existence and need of proof of any formal documentation.

Limited Liability Company

Limited Liability Company (LLC, *společnost s ručením omezeným, s.r.o.*) is the most popular form of corporation in the Czech hospitality business. The recent reform of legislation introduced new model of LLC governance making this form of enterprising even more attractive. Among all new rules governing the setup and governance of LLC new flexibility of different forms of shareholders participation in LLC together with the possibility to own more than one share in the company is considered to be the most appreciated change according to recent surveys within the Czech business community (Brčáková, 2014).

The most apparent and widely discussed modification of LLC principles is the change of registered capital rules. Capitalization of LLCs is according to new legislation no more based on misleading concept of "registered capital" set originally at minimum of CZK 200,000 (USD 8,500 approx.). The present LLCs can be founded with the minimum required capital of symbolic CZK 1. This change of whole paradigm is bringing more attention of the business community to real net assets value of the corporations not relying on the merely formal misleading registered capital requirements.

Overall liberalization of the corporate LLC governance principles is significantly supported by lifting restrictions concerning limited participation of a sole shareholder in "one man companies". According to the new rules a single person or a company can be only shareholder of unlimited amount of LLC corporations. Furthermore this rule makes holding structures of "one man companies" possible without any limitation. New legislation is making new corporate LLC schemes possible opening room for tax optimization, balancing business risks, multichannel branding and many other business goals achievable by diversification of business plans to larger number of corporations without the danger of loss of overall control over the business. Enterprising in the form of LLC is also currently becoming more suitable for larger corporate projects due to the lift of past restrictions limiting amount of LLC shareholders to 50. For all above reasons it is reasonable to expect that effective corporate governance of LLC structures will favor this form of corporation in comparison to CLS holding structures even more.

Adoption of new LLC rules is providing for setup of different groups of shares with individual different rights attached for each particular group of shareholders largely resulted in desirable liberalization of LLC corporate structures. Priority shares, shares with differentiated voting rights including veto shares, duty of capital contribution, profit share schemas and broad variety of other possible sorts of shares can be issued in the contrary to past when only rigid ordinary shares with uniform catalogue of rights and duties were permitted. New rules are shifting LLC corporate governance more towards the principles of Company Limited by Shares (CLS, akciová společnost, a.s.) where different sorts of shares were traditionally recognized in the Czech business since 1991. New rules of corporate governance can instrumentally define groups of shareholders with differentiated influence over the strategic management of enterprise, new investments, nomination of managers, distribution of dividends and other issues of main importance. Groups of different profit share on the other hand serve at the same time as important tools providing for incentive schemas within the corporate hierarchy.

New rules of corporate governance bring advantage specifically to hospitality business mid-size and small family firms where LLC form of enterprising is prevailing and personal involvement of shareholders in such LLC daily businesses is characteristic. According to the new rules obligation to personally work for the corporation or provide services can now be attached to special ownership share. By the transfer of this type of share obligation of personal duty to work for the company will pass to new shareholder.

The frequent problem of the hospitality business corporate structures in the form of mid size and small LLCs in the past was the lack of effective tools for participation of family members avoiding danger of loss of centralized decision making control over the enterprise. Differentiated categories of shares offer new solution to this problem granting sole rights to profit share to family members or other subjects without granting any voting rights. This arrangement is avoiding the risk of the detrimental impact caused to a company by potential wrong managerial decisions of laymen and at the same time preserving their proprietary rights. In hotel business particularly this can considered to be the needed tool for development and planning of long term inter-generation family business especially with respect to the fact that such particular categories of shares can be subject to inheritance and may be modified according to the future free shareholder’s will.

Minimum capital requirements together with new tools of governance resulted in increasing popularity of this form of enterprising according to statistic showing rapid increase in number of LLC startups in the Czech Republic immediately after the change of legislation in 2014. Existence of new legal instruments of corporate governance are providing for corporate flexibility and adaptability of CLS structures and consequently improving long time planning and potential efficiency of the hospitality business management of CLSs.

Company Limited by Shares

Liberalization of the corporate governance rules will apply in large extent also to CLS (akciová společnost, a. s.) by giving shareholders more flexibility in regulating their relationships. Following comments are primarily focused on rules making this form of enterprising more attractive for the hotel and tourism business by potential simplification of the structure of statutory organs of company and modifications in their status and mutual managerial and controlling function.

The form of CLS was not frequently utilized for small, mid-size or family business in the past being traditionally used more for international chains, hotel holdings, companies with the participation of foreign capital or companies with the dispersed ownership structures (Hučka, 2012). The rigid rules of corporate governance of the past were one of the main barriers for more extensive utilization of CLS schemes for mid-size firms. The rigid rules of corporate governance in the past provided for strict requirement of dualistic model of CLS sharing in various forms the powers and controlling responsibilities of corporation between Board of Directors and Supervisory Board (Normann, 2012). Necessary involvement of large number of skilled, responsible and loyal managers serving in organs of the company significantly limited practical utilization of this model in the past. The new rules of CLS governance introduced new principles of structure and competence providing for alternative simple monistic model of management. In this model both the Board of Directors and Supervisory Board functions can be fulfilled by the Management Board and a single Statutory Director is performing the powers and responsibilities of the Board of Directors, such as acting on behalf of the company or performing business management under the supervision of the Management Board. In the minimalistic model suitable for managing small and mid-size firms even a sole person can fulfill all roles at the same time. The new corporate rules provide room for a single member Management Board when the same person can perform both the function of the sole member of the Management Board and at the same time the function of the Statutory Director of CLS.

Significant new level of stability and strategic control over the CLS is supported by the flexibility in terms of function of statutory body members. The rigid rules limiting terms of service in the past to the maximum of five years were abolished. The terms of service can be now set without any limit by the founding documents of corporation and changed anytime by the decision of the shareholders. Particularly in the hospitality business this can be used in the function of permanently serving directors with no need for mock alterations of the function anymore. Stability of managerial positions under new principles is able to satisfy both needs of corporation and the directors at the same time based on the proper communication and planning.

Transparency of CLS governance is promoted by the requirement according to which CLS has to form and update companies` official websites. All invitations to shareholders meetings, proposed agenda, shareholders proposals and other significant information must be published at the official website of CLS together with all the official relevant corporate data.

CLS corporations having more than 50 employees were limited in the past by the strict legal requirements of mandatory employees` participation in the management of the company. New law abolished this requirement leaving the possible participation of employees in the company's organs at the sole discretion of the shareholders.

CLSs with the dispersed ownership structures suffered by problems with the minority shareholders abusing their rights in various forms including procedural obstacles and obstructions leading to blackmailing in the past (Borkovec, 2013). This practice has been significantly limited by adopting the new procedural rules of shareholder meetings providing for the strict regime of raising protests against approved resolutions and limiting significantly its scope. Abuse of shareholders' rights in other specific form was also eliminated by the new possibility to limit shareholders' presentations at meetings to specific time limits.

Despite the fact that the main capitalization requirement at the level of CZK 2,000,000 (USD 80,000 approx.) of registered capital was not abolished, the new rules of allocation of funds to reserve fund made capitalization of CLS more favorable. Attractiveness of CLS in the hotel and tourism business especially was limited in the past by strict legal requirements allocating portion of companies` funds to an obligatory statutory reserve fund. Release of previously retained funds under new legislation provided for much better CLS cash flow and for more efficient long-term financial planning. Despite this modification, however, economic reasons still create the main barrier for larger utilization of CLS form of current enterprising in the hospitality business in the Czech Republic.

Liability of Managers

Reduction of the rigid statutory requirements and new flexibility of corporate governance tools is in new legislation largely supplemented by the new definition of managerial responsibility principles. In order to keep the control over the effective corporate governance and personal responsibility of managers, new principles are providing for more precise and strict requirements and duties concerning statutory body members` skills and behavior defining the key mandatory elements of managerial skills and behavior such as loyalty, knowledge and care. New requirements are distinguishing and aiming different spheres of human personality strictly requiring combination of intellectual, moral and practical skills. Identical principles apply also when legal entities are according to new legislation serving as the statutory body members by appointing representative of such entity in the board.

Loyalty to business and its stakeholders is going far beyond the old formal requirements concerning conflict of interest restrictions. Requirement of knowledge is considered to be a general prerequisite for fulfillment of any managerial function and any possible later failure in this respect provides no room for excuse or justification. Duty of care rule is consisting of two principles – duty to act as a diligent manager and Business Judgment Rule limiting the actual responsibility and liability of managers entirely to cases exceeding standards of diligent care and knowledge. Application of this principle to practical business is of high importance providing vital safeguard preventing automatic legal responsibility in the case of negative consequences of directors` decision making (Sigmundová, 2012; Petrov, 2007). Responsibility of directors is strictly limited to the proof of failure in above mentioned sense. The new concept is protecting managers against the unreasonable business risks, providing more flexibility in their decision making limiting their personal responsibility for company losses. In the case of subsequent claims of the corporation against its managers, however, burden of proof is on the side of the directors. If managers fail to prove that their acting did not exceed reasonable standards of business judgment they are obliged to compensate company for the losses.

New liability rules also provided for special claims against directors in the cases of insolvency. In such cases managers can be held fully liable for the company's debts. Corporation can also retroactively claim repay of two years managers` remuneration and release of all other benefits of managers related to the claim. In all cases of directors´ liability personal property of managers frequently including also property of spouses is in stake. For above reasons use of the various forms of managerial insurance will be executed and more frequently implemented in daily business. Limitation of directors` liability can also be subject to various agreements executed between managers and corporation according to the new rules (Vakkur, 2013).

General statutory principles of managers` liability are interpreted in the process of application of law especially by the decision making. Hospitality business standards of behavior, required skills and due diligence care must be interpreted in line with the best practice principles and specifics not only of this specific segment of enterprising but also in relation to each particular hospitality business. Internal rules, standards of behavior, habits, customs and other socio-cultural norms are significantly recognized by new legislation as important interpretation guidelines for the determination of the limits of particular responsibility of managers in particular cases.

Discussion

The new corporate governance rules effective from 2014 provided for long awaited change of legal environment especially by introducing a new level of flexibility in corporate setup and new paradigm of managerial responsibility. Whole body of new legislation is, however, of even much more significant importance creating a whole new structure of private law. Each principal large scale change of legal environment of this character is inevitably leading to implementation difficulties and the new rules are therefore currently subject to wide public discussion as well as the expert controversies. Some of the reservations are purely of technical nature causing no principal controversies such as strict formal requirements of powers of attorney for representation of the shareholders in the process of company setups or need of more precise terminology or legal definitions in some cases (Januš, 2014). In such cases "technical amendments" are already under preparation consequently to feedback from business community.

Principal criticism over new rules is mostly focused on areas not specifically targeted in this article, such as problems of both theoretical and practical issues of trust law related to general question concerning the transparency of ownerships structures. From the perspective of the corporate governance rules an ongoing public debate concerning the possibility of reintroduction of previous registered capital regime of CLSs is relevant. Common denominator of all such debates is, however, interest in stability of business environment and conservative approach to potential future modifications of rules without proper analysis after not more than 2 years of its effectiveness (Kramer, 2014). For strategic corporate planning, however, timely reflection of the principal debates and legislative proposals resulting in modification of business environment are significant.

Conclusion

The legal framework of enterprising in the Czech Republic is currently undergoing important changes due to the recently amended legislation resulting in more business friendly environment featuring flexibility in shaping businesses and higher level of transparency and guarantees of responsibility of directors, managers and other involved business subjects. Seen from the perspective of the hospitality business, one of the most practical benefits of the new corporate legislation is liberalization of the corporate governance rules with the special respect to limited liability companies and companies limited by shares together with introducing new legal protection of family businesses which was not recognized and regulated in the Czech business environment so far.

The new rules are not only applicable for new hospitality business startups. It is advisable for existing corporations and individual entrepreneurs to get acquainted with the new instruments soon in order to adjust and modify the existing structures in order to meet the standards of most effective management. Review of founding principles and modification of governance rules such as the form of corporate organs, rules of decision making process, profit share principles, personal duty to provide work or services for business, involvement of family members and many other challenges may significantly improve efficiency of the hospitality management and consequently support performance of each particular hospitality enterprise in the long-term perspective.

The process of gradual implementation of new principles within the business community and adaptation of hospitality business to the new rules has to be followed by proper analysis providing for desired feedback. Only such method will secure that the practical needs of the hospitality business will be taken in account in already discussed potential future amendments of relevant legislation. Stability of the new system of corporate governance, however, must be considered to be of major importance providing room for necessary adaptation of the hospitality business to the whole new paradigm.

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Dagmar Lanská, Dana Kolářová

TRANSLATION OF CZECH MENUS INTO FOREIGN LANGUAGES

Abstract: *This article deals with the translation of menus from Czech language into other languages. These text types and their translations are still little discussed among linguists and translation specialists. The authors present a review of the results of the research team analysis based on the online data collection, which took place in restaurants throughout the Czech Republic. The article describes the translation strategies focused on the translation from Czech into English and presents examples that were collected.*

Key words: *menu, source language, target language, translation, translation strategies*

JEL Classification: *M3, M19*

Introduction

The article deals with foreign language menus in restaurants in the Czech Republic.

According to Štětina (2002) the catering establishment`s service level includes not only what is offered, but also how it is offered. The menu is intended primarily for information of guests about the appropriate dishes of the particular gastronomic establishment and, at the same time, it represents its image; the very first glance at the menu can entice or vice versa discourage the guest. Undoubtedly the restaurateur`s aim is to satisfy the customer who should choose dishes from comprehensible and appealing-sounding menu).

Some notorious translation errors which have been repeated for decades may inform foreigners of certain foods in a completely wrong way or, even, may literally disgust them. Why is this happening? The translation of Czech menus has its specifics and pitfalls. Generally, the guest, and a foreign one in particular, should know or at least have an idea of what they have ordered. Therefore, it is necessary to formulate Czech cuisine dishes for foreigners as clearly as possible and, at the same time, they should keep their regional touch.

In this country there is a tradition of translating the Czech menus into a foreign language. As Lanská states (Lanská, 2012) during the First Republic, major restaurants, especially the hotel ones, based on the fact that they had a menu in French. Czech cuisine from time immemorial looked in French cuisine, and having a menu in French gave the restaurant a touch of worldliness and trendiness. Another question is how many French-speaking guests visited the respective restaurants and how much language knowledgeable domestic guests might appreciate a menu presented in French. However, French gastronomic expressions can be still found on the menu, but there are not always linguistically correct. Copying and loss of language awareness about the relevant French gastronomic expression leads to its misinterpretation. A typical example is the French word "*à la*" (in the meaning of *according to*); at present the correct version with the accent is practically impossible to be found. French gastronomy in the world is losing its primacy and "raison d'être". That is why currently in the Czech Republic the menus appear translated into English, Spanish, and German or Russian, German-language menus being customary in Czech restaurants.

Language menus are a very complex thing. Whether restaurateurs agree or not, after entering into a united Europe, it is necessary to translate the menu into a language that is understandable to EU nations. For the restaurant in a place frequented by tourists the quality of a language menu should be obvious.

Currently, the most common version is the English language (quite rightly considering the position of the language as a means of communication in Europe and overseas), followed by German (menus in German have a long history and contemporary German clientele constitute a significant portion of the inbound tourism) and Russian. Other language versions are determined either locally (e.g. Polish on the Polish border, Hungarian on the Slovak-Hungarian border), or ethnically (foreign operators and type of cuisine, e.g. Latin American and Spanish restaurants and Tex-Mex type cuisines, Vietnamese or Chinese restaurants and cuisines). In the future, we can assume that in a united Europe in addition to the menu in the local language of the country there will always be the standard menu in English language.

Quality of language menus is therefore an essential attribute of a restaurant, but we can say that for long the situation in the Czech Republic has not been satisfactory in this area. Repeatedly it has been pointed out (AHR experts, expert blogs, and personal experience) that finding a high-quality translation of a Czech menu into a foreign language are often difficult. There are several reasons for this situation. Above all, language versions menus if they are well made are a considerably costly affair. If they are to be done by an expert in gastronomy, their level of the language into which they translate should be very high. And in the case of a professional translator, they must have knowledge and control of gastronomic terminology and of menu writing techniques. An interim or final consultation with a restaurateur during the translation process is also necessary.

In practice, we meet with a lot of translations of menus that were made either by unprofessional translators, or by language experts without the necessary knowledge of writing menus techniques or gastronomic terminology, so the result is, lamentably, the same; the language menu has resulted to foreign guests either confusing, amusing, or even discouraging or repulsing. Comic situations may happen sometimes due to poor translation of the menu, and, even worse, unprofessionally translated menu may bring about unwanted damage to the restaurant business.

Nevertheless, it should be stated based on the authors` own observation that in recent years the level of translation of menus has improved considerably. High level catering establishments, which retain a certain standard of service, as well as newly opened businesses, ensure among other things a functionally adequate menu translation into foreign languages. It seems, and one is willing to believe that translation excesses (factually inaccurate, ridiculous, offensive, misleading translations) of the previous years are already on the wane.

The problem of content and language (not) correct translations of menus has been discussed not only in the Czech Republic; same or similar professional problems are dealt with abroad, as well, by linguists and translators, e.g. in Spain[1] or Greece[2] or Russia.

The theoretical approach of the process of translating is very complex and the authors used the theoretical approach of P. Newmark. Newmark (1988) states the description of translating procedure as operational one. It begins with choosing a method of approach. "There are two approaches to translating (and many compromises between them): (1) you start translating sentence by sentence, for say the first paragraph or chapter, to get the feel and the feeling tone of the text, and then you deliberately sit back, review the position, and read the rest of the SL (source language) text; (2) you read the whole text two or three times, and find the intention, register, tone, mark the difficult words and passages and start translating only when you have taken your bearings." (Newmark, 1988: 21)

Newmark remarks that the selection of the method depends on the translator`s temperament, their intuition (for the first method) or their powers of analysis (for the second). Alternatively, the first method may be thought more suitable for a literary and the second for a technical or an institutional text. The limit of the first method is that it may leave the translator with too much revision to do on the early part, and this way it is time-wasting. The second method (usually preferable – as stated by Newmark) can be mechanical. A transitional text analysis is useful as a point of reference, but it should not inhibit the free play of translator`s intuition. Alternatively, as Newmark expresses the first approach may be preferable for a relatively easy text, the second for a harder one.

[1] Translations of menus from Spanish into English, but also French or German exhibit the same or similar problems as translations of Czech language. They also emphasize the problem of computer-generated translations that are in the vast majority completely unacceptable. E.g. http://babel20.blogspot.cz/2008/06/traduberraciones-traducciones

[2] Extensive research project of the Aristotle University of Thessaloniki, Greece, dealing with translations of menus from Greek into English and with the typologies of selected translators.

There are two kinds of difficulties in translating the words: (a) the translator does not understand them; (b) the translator finds them hard to translate. This is a very tricky part especially in translating Czech menus into target language(s).

If the translator cannot understand a word, it may be because all its possible meanings are not known to them, or because its meaning is determined by its unusual collocation or a reference elsewhere in the text. As Newmark states it is necessary to bear in mind that many common nouns have four types of meaning: (a) physical or material, (b) figurative, (c) technical, (d) colloquial; for example:

Table 1: Examples of Equivalents in Target Language

	Physical	*Figurative*	*Technical*	*Colloquial*
dům	house	family home	home-made	first-rate
			firm	tremendous

Source: Newmark, P., 1988, p. 33

As Newmark mentions the central problem of translating has always been whether to translate literally or freely and it still remains. Nevertheless, the translator may apply accordingly to the text requirement any of the translation methods as follows: word-for-word translation, literal translations, faithful translation, semantic translation, adaptation, free translation, idiomatic translation, communicative translation.

Analyzing of the Czech menus the authors recognized the following translation methods: word-for-word translation, literal translations, adaptation, free translation, communicative translation. Translation strategies with the concrete examples are further presented in the section Results.

Materials and Methods

This article evaluates data obtained in an internal research project carried out by the Department of Languages at the Institute of Hospitality Management in Prague under the working title of the Unification of Gastronomic Terminology within the EU Applicable to the most Frequently Used Languages in Translation of Czech Restaurant Menus[3], which took place in the period of 2012 until 2013. Six-member team[4] focused on the collection of translations of individual dishes into English, German and Russian languages accessible in menus in selected restaurants in the Czech Republic.

[3] Data collected within the project of Department of Languages is used for presenting translation strategies summarised in tables (further referred as DL Project).

[4] The team was led by Mgr. Dagmar Lanská, Head of the Department of Languages, and composed by doc. PhDr. Jelena Celunová, CSc., Donna Dvorak, M.A., PhDr. Kateřina Elisová, Mgr. Dana Kolářová, and PhDr. Eva Ottová.

The research team focused on the collection of translations of individual dishes into English, German and Russian language in the Czech Republic. On the basis of top tourist destinations in the Czech Republic (according to 2011 data published on the website of Czech Tourism) top 5 most visited sites were taken in every region of the Czech Republic and in those places restaurants with online menus were searched. Together 4,500 items of 117 restaurants were collected both in the Czech language and their associated translations.

The data gathered by the means of the research indicate that it is the laws of the market that indicate the choice of target languages. The vast majority of the menus are translated into English, many also into German and Russian (or other languages as Italian, or Spanish) depending mostly on the nationality of tourists visiting a specific area. To be more exact, majority of menus found on the Internet are translated always into English and, besides there is the second or even third, target language. In fact, the choice of English is imposed by its international and mediatory character (the word is "Everyone can understand English").

Apart from omnipresent translations into English, the research also showed regional differences – the lack of English translations on some menus in Liberec and the South Bohemian Region, and translations into Russian language especially in the region of Prague, Karlovy Vary and Pilsen.

Results

Linguistic and functional characterization of menus

From a purely linguistic point of view menu is very simple text, consisting of independent units, which are very often formed by a nominal phrase, basically made up of nouns and adjectives expressing a clear meaning – e.g. *kuřecí vývar* (chicken soup). It may also include cultural information – e.g. *staročeská bramboračka* (old Czech potato soup). Nominal phrase can either express the method of food preparation – e.g. *grilovaná krkovička* (grilled pork neck), *vařené brambory* (boiled potatoes), or it specifies the characteristics of the food – e.g. *vepřové kotlety* (pork chops) or *jehněčí ramínko* (lamb roll). The nominal phrase can also be developed by other words closer describing the dish – e.g. *vepřové ledvinky na cibulce, houskový knedlík* (pork kidneys stewed with onion, served with dumplings). As Grammenidis states (Grammenidis, 2008) from the functional point of view, it seems that menus have predominantly a pragmatic function; they are prepared to inform the customer in a certain way, to communicate with him. In case of the analyzed menus, which were the online menus, we can say that in addition to the informative function of the menu at the same time it should attract customers to visit the restaurant and thus this part should be taken into consideration by the translator. The translation should correspond to the original as much as possible without mistakes and it should be written in an appropriate style – which was not always respected. Based on the analysis of the collected samples below are described translation strategies.

Translation strategies

Analyzing of samples confirmed that the translation of individual dishes is not only a matter of language, but the role of other factors – such as cultural habits or even social or commercial factors – is important. Cultural factors play a very significant role especially in those cases when it is not possible to find a suitable equivalent for specific national dishes or for dishes containing typical local ingredients which may not have equivalents in the language of other nations. In these cases the translator faces the situation of non-existing equivalent in the target language and must resolve it. Much more common is the situation when the target language translation equivalent exists.

1. If there is an equivalent in the target language, it is usually adopted.

Table 2: Examples of Equivalents in Target Language

Source language	*Target Language*
pečená husa	roast goose
hovězí vývar	beef broth
česneková polévka	garlic soup
vařené brambory	boiled potatoes

Source: DL Project[5]

1.1 In the analysed samples the authors present examples of incorrect meanings (3), spelling errors (3) and misinterpretations (4).

Table 3: Examples of Incorrect Meanings, Spelling Errors and Misinterpretations

Source language	*Target language*	*Corrected wording of the target language*
smažený hermelín	fried blue cheese	fried camembert-type cheese
zapečený kuřecí steak	baked chicken steak	roast chicken steak
obloha	sky	garnish
grilovaná zelenina	grilled wegetable	grilled vegetable
kuřecí prsa	hicken breast	chicken breast
rýže s hráškem	rice width Peas	rice with peas
losos na víně	salmon with wine flour	salmon with wine sauce
těstoviny	pastries	pasta

[5] Data collected within the project of Department of Languages is used for presenting translation strategies summarised in tables (further referred as DL Project).

kysané zelí	coleslaw (Sauerkraut)	sauerkraut
Vepřový vrabec, dušené zelí (dušený špenát), bramborové knedlíky	Baked pork sparrow, stew cabbage/spinach, potato dumplings	Roast pork, stewed cabbage (stewed spinach), potato dumplings

Source: DL Project

1.2 The equivalent in the target language exists, but it not used by the translator.

Table 4: Examples of Equivalents Not Used by Translators

Source language	*Target language*	*Existing word in the target language*
rýže s kari	rice width kari	rice with curry
těstoviny penne	pasta	penne

Source: DL Project

2. If the equivalent is missing in the target language (culture) so this means that in the target language there are lexical gaps in the system. The task of the translator is to resolve the situation of translating such gaps. The following translation strategies appeared in the analyzed samples:

2.1 Literal transfer – using the expression from the source language in the target language (e.g. in capital letters or in quotation marks);
a) Without changes as a quotation (word in the form of source language);

Table 5: Examples of Literal Transfers into Target Language

Source language	*Target language*
Anínský pstruh	Anín trout
fettucine	fettucine
Gnocchi	gnocchi
penne „Quattro formaggi"	penne "Quattro formaggi"
penne FUNGHI PORCINI	penne FUNGHI PORCINI
Spaghetti Aglio Olio e Pepperoncino	Spaghetti Aglio Olio e Pepperoncino
tortellini	tortellini

Source: DL Project

b) Full or partial adaptation of phonetic or morphological standards of the target language – these examples are found in Czech and English;

Table 6: Examples of Literal Transfers with Adaptation

Source language	*Target language*
Guláš	goulash
noky VERDI	gnocchi VERDI
omeleta	omelette
rizoto/risoto	risotto
špagety	spaghetti

Source: DL Project

2.2 Literal translation accompanied by a word;

Table 7: Examples of Literal Translations Accompanied by a Word

Source language	*Target language*
bramboračka	potato soup
krkovička	pork neck
Okurka	pickled gherkin

Source: DL Project

2.3 Literal translation accompanied by a detailed description of the food;

Table 8: Examples of Literal Translations Accompanied by a Description

Source language	*Target language*
Černej kuba s okurkou z tunky (kroupy, lesní houby, česnek, kyselá okurka)	Black Jacob with Gherkin (barley, wild mushrooms, garlic, gherkin)
Ďábelský vošouch - pikantní masová směs v bramboráku se salátem z kysaného zelí s křenem	Devil's pleasure - Spicy meat mixture with potato pancakes and fresh cabbage salad
„Ďáblův kopec“ (těstoviny, čerstvá zelenina, kuřecí maso v pikantní omáčce, strouhaný sýr	"Devil's hill" (pasta, fresh vegetables, chicken in a spicy sauce, grated cheese)
Steak „Krutý Bill“ (marinovaná pravá svíčková se čtyřmi druhy pepře, přelitá pikantní hořčičnou omáčkou s feferony)	"Remorseless Bill" steak (marinated sirloin with four kinds of pepper and spicy mustard sauce with chilli peppers)
houskový knedlík	traditional Czech bread dumpling

Source: DL Project

2.4 Description of the dish without its name i. e. the phrase from the source language is described, explained or defined in the target language (explication or description by definition);

Table 9: Examples of Dishes Translated without Their Names

Source language	*Target language*
Dvě koule dělový, co se válí v zelném poli (domácí bramborové knédle uzeným masem plněné, kyselé zelí, opečená cibulka a slaninka)	Potato dumplings stuffed with smoked pork, sauerkraut
PENNE ALLA NORMA tomatová omáčka, lilek, bazalka, olivy, cibule, pecorino	tomato sauce, aubergine, basil, olives, onion, pecorino
Sýrový „Ondráš“ - aneb Hermelín zapečený v bramborákovém těstě	Camembert fried in potato dough
Špagety AL ARRABBIATA (omáčka z čerstvých rajčat a česneku, sýr)	Spaghetti with sauce made from fresh tomatoes and garlic, cheese

Source: DL Project

2.5 Translation by the word of broader meaning;

Table 10: Examples of Translations by the Word of Broader Meaning

Source language	*Target language*
Bramborové halušky se zelím a uzeným masem	Pieces of boiled potato dough mixed with sauerkraut and smoked pork neck
Povidlové taštičky s mákem a cukrem	Boiled potato pockets filled with plum jam and sprinkled with grounded poppy seed and sugar
Tvarohové taštičky v ořechové krustě s perníkovou pěnou	Sweet pasties filled with curds in nut crust served with gingerbread mousse

Source: DL Project

2.6 Cultural substitution, adaptation – in translation it means replacing the culturally specific ingredient or product by other one which is known in the target culture, i.e., in the target language the equivalent which is known in the similar meaning or has a similar function is used for the translation;

Table 11: Examples of Adaptation or Cultural Substitution

Source language	*Target language*
smažený kuřecí řízek	schnitzel
špekové knedlíky	potato dumplings with bacon/bacon dumplings
tvaroh	curd/Cottage cheese

Source: DL Project

2.7 Partial translation;

Table 12: Example of Partial Translation

Source language	*Target language*
Olomoucký toast se zapečeným tvarůžkem a cibulí v sýrové peřince	"Olomoucký" toast with scalloped curd cheese and onion in a cushion of cheese
Staročeský „Kuba“ (zapečené krupky s houbami, česnekem a majoránkou)	Old-Bohemian "Kuba" (baked barley with mushrooms, garlic and marjoram)
Střapačky se zelím	"Střapačky" with cabbage
Kapr „Hejtmana Špulíře“ (pórek, niva, žampiony, česnek)	Carp "Špulíř"
Chodská kachna pečená, zelí, špekový knedlík	"Chodská" roast duck, cabbage, "speck" dumpling
houskový knedlík	classical dumpling

Source: DL Project

2.8 Omission – relatively rarely appeared completely missing translation of any dish. As mentioned above, in South Bohemia and Liberec regions there appeared restaurants which did not have whole menus translated into English.

An example of a unique omission translation: in Pardubice restaurant;

Table 13: Example of Omission Translation

Source language	*Target language*
Bramborové knedlíky s uzeným masem a kysané zelí	Translation missing

Source: DL Project

Discussion

To be able to evaluate the results of the analysis it is necessary to think about the translation strategies in the view of to what extent different strategies achieved their communicative purpose and if they were able to attract customers into the restaurants. The authors state that the translations are up to 90% determined by the linguistic level, which varies by regions. It can be confirmed that the most fitting translations into English are in the capital city of Prague (19 restaurants analyzed). Translations confirmed the quality of the linguistic level, the menus appeared to be attractive from the graphic point of view too (clear, no errors). Mistakes or inaccuracies mentioned in the examples are from other regions (especially from Vysočina region). The authors can assume that in Prague translations are often prepared by experts in terminology of gastronomy field, while in other regions not always – e.g. due to financial reasons. The biggest problems occur when translating traditional Czech dishes. The best strategy proven in this case is the strategy of explication or description of the dish without translating its name and leaving the original name in the source language. This method brings understandable text compared to the effort of literal translations of the dish. Also translations by using words with broader meaning or by using cultural substitution lead to understanding of the text for the guest. It should be mentioned that the English language translation might not be only devoted to the customers – native speakers of English, but also to other customers whose mother tongue is different. The translator should be aware of that fact when using a translation based on cultural substitution.

Conclusion

Menus are texts that need and deserve further research because not much has been done so far. The theoretical background of these text types reveals different linguistic approaches and not many concepts. The description focused more on the linguistic point of view (formal, lexical and grammatical features) is further discussed at Faculties of Arts where analyses are carried out. The authors tried to present a complex view of the translation of menus having in mind cultural and gastronomic differences of countries. Translations of the menus into other languages are needed from the perspective of tourism in the Czech Republic. It is necessary to arrange that these translations are created or at least checked by translators – professionals to avoid errors, misunderstandings or even unpleasant associations in the minds of guests at the wrong choice of translation.

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INFORMATION PAPERS

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FARMERS` MARKETS – PRINCIPLES AND HISTORICAL CONTEXT WITHIN SELECTED COUNTRIES

Abstract: *This article examines the role of marketplaces, farmers' markets and local food in historical and social contexts. It identifies main principles, requirements and conditions of farmers' markets in selected countries and illustrates the role and importance of regional products. It also defines possible reasons and aspects why the concept of farmers` markets may fail.*

Key words: *consumer, farmers' market, historical development, local food, producer, region*

JEL Classification: *Q19*

Introduction

Trading and food markets are probably as old as agriculture itself, likely developing in ancient Mesopotamian and Nile Valley civilizations. As soon as communities of people moved away from subsistence farming and began specializing in agriculture and engaging in trade, the marketplace became an essential feature of community life. Farmers' markets reached their peak of popularity in the nineteenth century before beginning a decline that continued through much of the twentieth century. After World War II, the development of suburbia and the ascendancy of supermarkets, chain stores, and convenience shopping were especially damaging to farmers' markets. However, even during this time, many towns maintained their markets, preserving the close tie between their communities and local farmers.

Currently, farmers' markets are enjoying an upsurge in popularity. Farmers' markets are seen as one solution to the multifaceted problem of our culture's growing isolation – from other people, from the environment, and from the sources of our food. People perceive farmers' markets as gathering places where families can bond with neighbours and visit with friends. Farmers' markets also provide a medium by which people can get closer to their food sources. Many consumers feel good about supporting local farmers. They also tend to distinguish the produce offered at farmers' markets as higher in quality, more flavourful, fresher, and healthier than the produce typically found in other outlets. Farmers, in turn, can interact directly with their customers, building relationships and fostering customer loyalty while potentially generating greater profits than if they sell their produce wholesale.

The issue of farmers' markets is described in detail in numerous articles and studies. In the countries of Western Europe and in the Scandinavian countries, farmers' markets have a long tradition.

Materials and Methods

With respect to the nature of the contribution, it is based almost exclusively on related literature, specialized web portals and relevant web sides. The methods used in this paper include analysis and study of documents, analysis of secondary data, analysis of primary data, and comparative analysis.

The paper analyses and evaluates available and applicable information and findings about the topic in selected countries – Germany, Austria and the Czech Republic. The most commonly used methods for creating the text were synthesis, analysis, compilation and comparison.

Results and discussion

Markets in Germany – history, development, current situation and trends

Farmers' markets (called Wochenmärkte) and marketplaces (Marktplätze) have always played an important role in social and economic life of the people in the community. Marketplaces were integral parts of many historical cities and towns and markets were usually held on squares, which were in direct connection with trading.

One of the oldest historically documented markets (Wochenmarkt) took place on Hauptmarkt square in Trier and dates back to the mid-10th century. In the 11th century, regular weekly (Wochenmärkte) and annual (Jahresmärkte) markets took place here. Traded commodities were handicraft products (mainly made of wood), bread, flour or vegetables.

Marketplaces gained particular importance in the period of feudalism. Feudal lords supported the development of markets and awarded them various rights. At the same time, they demanded certain fees. Feudal lords also guaranteed free market access to all visitors. Marketplaces were formed mainly on trade routes and especially on their intersections. Wooden; and later stone; buildings and houses of craftsmen and merchants were built close to marketplaces. Chapels or churches were located nearby as well. An important object was a fountain which provided enough water.

In the 13th-15th centuries, marketplaces expanded and gained independence. It was the beginning of development of cities and towns associated into the Hansa, such as Lübeck, Bremen, Nürnberg or Augsburg. At the same time, specialized markets (Fachmärkte) were created. For example – grain, fish, or ceramics were traded there. Some of these markets were held every day, others once a week. This laid the foundation of markets, although there were periods that did not support economic development and trading, such as the Thirty Years War.

In comparison with the Czech Republic, markets in Germany are often held in covered marketplaces (indoor markets). Such markets take place every day and for the Germans they represent not only traditional places to buy fresh vegetables, fruit and fish; but they are also perceived as gathering places.

Outdoor farmers' markets (in the open air) are held in Germany as well. For example, only in the territory of Berlin 37 markets take place. Thirteen of them weekly, others are either annual or take place at irregular intervals. These markets offer different goods than supermarkets. Customers can buy regional products and organic food produced in the area. Traditional marketplaces are also used to organize Christmas markets (Weihnachtsmärkte) or flea markets (Trödelmärkte). The growing popularity of these originally medieval marketplaces is given by their atmosphere, often beautifully renovated landmarks and lovely and charming little shops and cafés.

The most famous and popular markets (Wochenmärkte) in Germany are for example Münstermarkt in Freiburg, Viktualienmarkt in München, Donaumarkt in Regensburg, Winterfeldtmarkt in Berlin, or Fischmarkt in Hamburg-Altona.

Münstermarkt in Freiburg takes place from Monday to Saturday. It has been divided into two parts since the medieval period. Agricultural products such as flowers, Schwarzwald ham, honey or local spirits are traded on the North side; on the South side shoppers can buy for example pottery, various works of art, sweets etc. Freiburg is a city with a population of about 230,000 people. One of the famous old German university towns, Freiburg developed into a major commercial, intellectual, and ecclesiastical centre of the upper Rhine region. The city is known for its medieval university and minster, as well as for its high standard of living and advanced environmental practices. Münstermarkt (market near the cathedral) takes place all working days in the morning – with one exception – on 15 August, the Feast of the Assumption, patron saint of the cathedral, the place remains free from market stalls. On weekdays there are approximately 80 stalls, on Saturdays there can be up to 180 stalls.

Viktualienmarkt in Munich has been held since the beginning of the 19th century and is designed for lovers of gourmet food, game, cheese and fish specialties. It takes place regularly from Monday to Saturday and is divided into different sections according to offered products. The Viktualienmarkt is a premier place to shop for fresh produce, dairy, bread, and Bavarian specialties. Locals, tourists, and the city's top chefs come here to buy everything from fruits, vegetables, meat and seafood, to pastries, honey, spices, flowers and fresh squeezed juices. This outdoor market is located in the heart of the city's old town. Dating back to 1807, it is the oldest farmers market in Munich and got its name from the Latin word *victualia*, which means "groceries".

Donaumarkt in Regensburg is special due to its location near the Danube River. Shoppers can watch boats floating on the Danube. The market offers for example freshly cut flowers, organic products or chicken specialties. There are a lot of local producers represented there – family-run dairies, butchers, bakers, and vegetable farmers, and beekeepers. Some of them are pure-organic producers, too.

Winterfeldmarkt in Berlin is the largest and probably the most famous market in Berlin, which takes place every Wednesday and Saturday. The offer includes various kinds and types of sausages, fruit, vegetables, cheese, as well as designer fashion or jewellery. It is easily accessible by public transport. Farmers from all over Berlin and Brandenburg come to showcase their produce here. Saturday is the busier of the two days, and this is the market for families. The atmosphere is lively and upbeat. The fresh fruit and vegetables are all high quality, freshly picked and definitely seasonal. There is usually a super selection of organic produce to choose from and varieties of foods which are not usually seen in the supermarket – heirloom tomatoes, Jerusalem artichokes, wild mushrooms, celeriac and asparagus, persimmons, wild berries, apples, peaches, and cherries. Vendors serve out handmade ice cream, tubs of marinated olives, jars of mustards and jams and rose and saffron cream cheeses.

Fischmarkt in Hamburg-Altona has been an integral part of Hamburg since the early 18th century. It is held regularly on Sunday, but only in limited time and finishes at 9:30. On average it is visited by more than 50,000 people. Almost everything is sold here, but the biggest demand is for fish products, fruit baskets and tropical flowers. Every Sunday morning everything springs up in the Fischmarkt (Fish market) area. Whether fish, fruit, flowers, vegetables or clothes, anything can be bought on the stands lined up along the open space next to the Elbe's harbour basin. Many market stalls and car boots are packed with stacks upon stacks of fruit baskets, vying for a buyer. As the Fischmarkt stands on land below sea level, in stormy weather it can often become submerged in water.

Situation in Austria

Austrian farmers' markets; called as in Germany Wochenmärkte or Bauernmärkte; are the place where customers can buy fresh vegetables, fruit and other products. 17 markets take place in the capital city of Vienna.

One of the most famous markets is Naschmarkt. The long esplanade covering the course of the river already served as market place for dairy products as early as the 18th century. Naschmarkt, located between Kettenbrückengasse and Karlsplatz, is a premier open-air fruit and vegetable market. Naschmarkt is an ethnic melting pot full of vibrant life and exotic scents. With endless rows of stalls selling fruit, vegetables, seafood, spices, homemade pasta, pickles of all kinds, cheeses, or breads this superb market can satisfy the most demanding culinary requirements. The market is open from Monday to Friday from 6 am to 7:30 pm and on Saturday from 6 am to 5 pm. Mornings are the best time to absorb the markets sights and flavours.

Wiener Genus-Festival has been organized in the capital since 2003 and it is intended for people who love food and various flavours and for those who appreciate quality ingredients. It takes place in a city park, where farmers and producers of Austrian specialties from all regions of Austria offer their products. Visitors love traditional cheese from the Alps, ham, Tyrolean bacon, pastries and Austrian wine, as well as real specialities, which combine unusual tastes. It is obvious that the Austrians are "organic" conscious because they are interested in organic products with certification of their quality and origin. Organic are not only products but also cutlery offered at majority of stalls with various types of refreshment.

Austrian products are premium quality. They are often typical for a certain region. These regions and their typical specialties are now being classified and can obtain "Austrian Culinary Region" (Genuss Regionen) award. These products are – mountain cheese from the mountains of Bregenzerwald, plums of Stanz, Salzburg whitefish, Bucklige Welt Apfelmost (apple cider from Bucklige Welt region), Gurk Valley air-cured speck etc.

The Czech Republic

The first barter marketplace existed close to the Prague castle and dates back to the 9th century. In the 10th century the place became the most important marketplace of Slavs. In the 11th and 12th centuries the market was organized, regulated and under the control of the ruler. From the historical perspective, markets held in Prague were definitely the most significant ones.

In the past, there were different forms and types of markets – regular annual markets; exhibition markets; Christmas markets; grain, livestock and canvas markets etc. Markets were held on squares and that is why the squares acquired their names according traded commodities – Wenceslas Square is named after Saint Wenceslas, but the place was formerly known as Horse Market (Koňský trh), for its periodic accommodation of horse markets during the Middle Ages. Charles Square, which was the largest town square of the medieval Europe, was known as Cattle Market (Dobytčí trh) from the 15th century and in 1848 it was named after its founder Charles IV whose 700th birth anniversary will be celebrated in 2016.

In some cases, the names have been preserved to the present days and for this reason we can visit for example Fruit Market (Ovocný trh) and Coal Market (Uhelný trh) in Prague or Cabbage Market (Zelný trh) in Brno. Fruit Market sits between Celetná and Rytířská streets and the market has been in existence since the beginning of the 13th century. It was a centre of the vegetable and fruit trade and its current name has been in use since 1870. Coal Market, one of the ancient Old Town squares, is former market place for solid fuel. It obtained its name after the house, which had been standing in the middle of the market to the beginning of the 19th century and in which there were a blacksmith's shop and miner's house, where the charcoal was sold since the 14th century. Cabbage Market is a square located in the historical centre of Brno. Originally, the square was called Upper Market. From spring until autumn there is a market, where fresh fruit, vegetables or flowers are sold.

The period of the First Republic (1918-1938), when the state Czechoslovakia was composed of Bohemia, Moravia, Czech Silesia, Slovakia and Subcarpathian Ruthenia, was the time of great changes. Status of "private farmers" could arise and these people were allowed to sell own produced commodities which amount exceeded their private consumption. The sale could be realized by means of markets in towns and cities.

After World War II and then after February 1948, Communist Party seized complete control of Czechoslovakia and private farmers were eliminated. The situation dramatically changed after the Velvet revolution in 1989.

Modern history of current farmers' markets in the Czech Republic goes back to 2009. Hana Michopulu – a food writer, a cookbook author and one of the most visible and popular personalities on the culinary scene in Prague – is considered to be the founder of the first farmers' market here. In autumn 2009 she organized it in the Prague quarter of Klánovice. The market gained popularity because people from the whole Czech Republic were attracted by Czech high quality products which were sold here.

Farmers' markets became unquestionably "spring hit" in 2010. Customers were mostly interested in sausages, sheep and goat cheese, or fresh fruit and vegetables. This trend has continued till now and farmers' markets are likely to become a firmly established tradition.

The most popular farmers' markets in Prague are on Vítězné náměstí (Dejvice, Prague 6), Kubánské náměstí (Vršovice, Prague 10), Náměstí Jiřího z Poděbrad (Prague 3), Náplavka (Prague 2), markets at Pankrác, Budějovická, or in Karlín, Radotín, Dolní Počernice etc.

Shoppers can purchase all sorts of local produce, much of it organic. Stallholders sometimes offer small free samples. Products on sale include fruit and vegetables, herbs and spices, local cheeses, fish from South Bohemia, sausages, bakery products, organic honey, dairy products, eggs or spirits and wine. One of the biggest attractions of farmers' markets is the chance to pick up items from small, traditional farms and producers. Such products are seldom found in supermarkets but are authentic, and emphasis is placed on traditional production methods. At some farmers' markets shoppers can order product-filled baskets, which can be delivered to their home for a fee. Markets are held regularly, both at weekends and on weekdays. In the large markets customers also find non-produce stallholders, such as charities. All markets are easily accessible by public transport.

Probably the most attractive farmers' market, which is located at Rašínovo nábřeží (near Palackého square) in New Town's Prague 2, is Náplavka, ("at the riverbank"). Tourists will experience an entirely authentic and new side of Prague and Czech culture, while residents can enjoy local traditional products, get to know the sellers and try new delicacies each week as new items are in season. Seasonal favourites include fresh green Czech asparagus from the nearby town of Mělník, fresh strawberries from Kunratice on the outskirts of Prague and other areas of Bohemia, as well as summertime favourites such as freshly picked apples and pears. Czech bread and baked goods from local family bakeries are excellent, and the vegetables and fruit found at the market are of a significantly higher quality than those typically found at supermarkets.

People are interested in what they eat and start preferring local, fresh, healthier and higher quality food. Food is one of the most important aspects in assessing the impression of a holiday. New information in the field of gastronomy is brought to a consumer very easily and quickly due to the Internet, magazines, TV channels and an increasing number of various relevant programmes.

Tourists have different motives and reasons why they travel round the Czech Republic but they are mainly interested in sightseeing and sport. Tourists prefer hiking, cycling, swimming and other kinds of water sports. Therefore sufficient supply of high-quality catering services and accommodation facilities is required. Many European countries use gastronomy as a tool of its promotion.

Mitchell and Hall (2003) reported that taste, freshness, smell, appearance and higher nutritional value of the products are commonly cited reasons for visiting and shopping at farmers' markets. Many markets take place throughout the Czech Republic and relevant information is available on various web sides. Tourists usually combine their visit of farmers' markets with other activities, such as sport, relaxation and sightseeing.

We can find a number of towns and villages outside Prague which are regular hosts of farmers' markets. These are for example Brno, Jindřichův Hradec, Havlíčkův Brod, Vsetín, Plzeň etc. Stallholders should fallow Codex of Farmers' Markets, and organizers of farmers' markets can join the Association of farmers' markets Czech Republic (AFT).

The Association gathers responsible organizers of farmers' markets and its founding members are respected operators of farmers' markets. The main goals and activities of AFT are primarily to:

- support and ensure the quality development of farmers' markets in the Czech Republic;
- systematically inform the public about the principles of farmers' markets;
- promote farmers' markets organized by members of the AFT;
- inform operators of farmers' markets and AFT members on legislation in the area of food sales;
- counsel and educate AFT members;
- meet with relevant supervisory authorities and local self-government and state administration;
- promote sales of quality domestic food;
- develop a culture of sales at farmers' markets;
- provide legal assistance and protection of AFT members as in the case of professional discrimination, etc.;
- collaborate with other organizations and individuals that have a common interest and that are close to the principles and ideas of AFT.

The Association was established in 2012 and founding members were Civic Association Archetyp (Prague), Civic Association Envic (Plzeň/Pilsen), and Civic Association Trhni si (Roudnice nad Labem).

Local (regional) Food in the Czech Republic

Local food is an alternative to the industrial food system. Local food means that it is grown, caught or processed in its regional area. However, it is more than the name implies – local food should be economically viable for farmers and consumers and should use ecologically sound production and distribution practices. Buying local food consumers support not only local producers but also a particular region.

In the past, production of local food was common. Each region was popular for some local product and some of these products have been produced or made till now. In the Czech Republic these are for example Wallachian frgály (Valašské frgály). In the history "frgál" meant foiled piece of cake. Frgál is a sweet pastry made with yeast dough filled by pear jam, curd, poppy seeds or plum jam and sprinkled with sweet crumb. The first written mention dates back to1826.

Olomoucké tvarůžky – a ripened soft cheese made in Loštice near the city of Olomouc. This cheese is very easy to recognize by its strong scent and yellowish colour. The first written mention of this cheese dates back to the 15th century.

Stramberk Ears (Štramberské uši) – cone-shaped gingerbread cookies. Stramberk is a small town in North Moravia. It is believed that every real "Stramberak" knows how to make the ears. A genuine Stramberk ear should be light brown, firm but not brittle and should have a balanced taste. It takes years of experience to find the right proportion of flour, honey, sugar, star anise, cloves, and that special "something" which distinguishes the Stramberk ears from any other similar cookies.

KLASA certificate – brand of national quality

KLASA brand has been awarded by the Ministry of Agriculture since 2003. Only the best quality food and agriculture products deserve this award. The goal is to create a brand certifying the quality of Czech food products and beverages and thus to support their sale. The brand is granted for three years and after this period it could be renewed or annulled. There are more than 1,200 products with the brand; for example – Marlenka (cake), Tatranky (biscuits), wheat flour Zlatý klas, B4 ACTIVITY chocolate, ketchup Otma, pickles Znojmia, beer Samson 10° and Samson 11° etc.

Conclusion

There is an increasing interest in, and demand for, local food by consumers. One possibility to meet this demand is to support local producers in their production of food and in their distribution of their products. The establishment of farmers' markets is significant. There are different reasons for this renewed interest in farmers' markets. These are:

- lower prices to consumers;
- higher profits for regional producers;
- a desire to support local producers;
- an exciting shopping experience for consumers;
- a desire to help revitalize urban regions;
- a growing interest in food quality by consumers;
- an increasing demand for fresh produce by consumers;
- demand for local products;
- the social atmosphere markets provide;
- the opportunity for urban and rural people to meet.

However, there are also possible reasons and aspects which can cause that the concept of farmers' markets may not succeed. These include:

- political support;
- cultural habits – consumers have a wide range of choice in selecting food products and can buy food from various parts of the world. Consumers are also accustomed to spending a small amount of their total income on food products. It is not easy to overcome these cultural habits and encourage consumers to accept local food

because they will spend more money and they will have to overcome limited options in the wintertime;

- urbanization – producers in some regions may have problems due to their close proximity to the urban areas;
- minimal public understanding of regional food systems – the average farmers' market consumer may not understand the wider context of the regional food movement. This idea is complex and in many cases the industrial food system tries to create various obstacles and misunderstandings;
- food security – if consumers rely on local food and regional products exclusively and there are no connections to outside sources this could lead to decreased food security;
- lack of accessibility for less affluent consumers and producers – farmers' markets can be too expensive for less wealthy shoppers. Farmers' markets could focus on exclusive and luxurious products, and high-priced niche market foods. It is not easy to sell these products to people with lower incomes. Producers may also face problems and difficulties when selling their products at farmers' markets (high stall fees, various regulations etc.);
- exclusionary tendency – like any movement, the local food movement has the potential to become exclusionary.

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REVIEW

BUREŠOVÁ, P., ZIMÁKOVÁ, B., ČERTÍK, M., HÁN, J. Selected Chapters from the Hospitality and Gastronomy – Volume 1: Gastronomy Services: Wolters Kluwer, 2014. 156 p. ISBN 978-80-7478-498-9.

This publication subtitled Gastronomy Services is published as the first book from the series dedicated to issues of hospitality and gastronomy. The aim of this series is not only to publish present-day theoretical and practical findings from realization of accommodation and gastronomy services, to contribute this way to the increasing of competitiveness in this industry, but also open the space for innovation of current accommodation and gastronomy operations and afterwards development of the whole Hospitality industry.

In last decades, we could have observed significant increase of gastronomic establishment with different quality level of provided services. Options of how to increase level of services are still discussed in expert circles, but it is minimally seen in practice. Standards with basic methodology and up-to-date requirements in the branch are still missing in gastronomy operations. Quality of provided services corresponds with education and training of employees who do not meet requirements of employers.

Presented text is suitable for everyone who is interested in getting knowledge of providing gastronomic and catering services, those who serve guests, or those who is in direct contact with customer.

From content point of view, this publication covers, beside description of historical development of gastronomy, mainly chapters focused on particular aspects of enterprising in gastronomy such as: organization structure, employees, forms of selling and offer creating. In the text, there are parts oriented to banquet and catering offers, drinks gastronomy, goods buying and meal making. Attention is also paid to preparation of working place, technology of serving people, requirements on hygienic standards and principles of managing service quality. The last part of the book concentrates on institutional catering.

Z recenzních posudků

BUREŠOVÁ, P., ZIMÁKOVÁ, B., ČERTÍK, M., HÁN, J. Vybrané kapitoly z hotelnictví a gastronome. 1. vydání. Praha: Wolters Kluwer, 2014. 156 s. ISBN 978-80-7478-498-9.

„Gastronomie je věda, která se zaobírá souvislostmi, jež ovlivňují stravování lidstva, a to od výběru surovin na přípravu pokrmů a nápojů až po jejich konzumaci. Tak definují autoři gastronomii v této publikaci. Publikace vychází jako první svazek série s cílem popsat a shrnout praktické i teoretické poznatky v gastronomických službách a přispět tak ke zvýšení konkurenceschopnosti v oboru. Z definice vyplývá, že gastronomie provází člověka od nepaměti, přičemž vývoj pohostinství a kulinářství datujeme od starověku. Autoři vývojem oboru velmi čtivě provázejí v druhé kapitole, kladou důraz na zásadní události. Případným zájemcům o doplňující informace k tomuto tématu poslouží dostatek odkazů.

Úspěšné gastronomické podnikání není dlouhodobě možné bez aplikace manažerských i marketingových disciplín. Autoři nabízejí členění těchto aktivit do šesti pilířů, jež jsou k úspěchu nutné (kap. 5). Nejpozději při tvorbě podnikatelského záměru se zabýváme otázkami týkajícími se jádra podnikání, produktu, v našem případě služeb. Publikace nabízí strukturovaný pohled na formy společného stravování a formy gastronomických služeb (kap. 5), zatímco v kapitole sedmé jsou popsány způsoby prodeje, způsoby a systém obsluhy. V jedenácté kapitole se pak autoři věnují nákupnímu procesu a výrobě. Potěšila mě pasáž věnována novým trendům ve výrobě. Ne vždy jsou však výrobní a prodejní kapacity efektivně vytíženy a nabízí se možnosti doplňkových aktivit formou cateringových služeb. Devátá kapitola se tomuto tématu věnuje zevrubně, včetně problematiky cateringových služeb v dopravních prostředcích.

Odborné řízení podniku je nutným předpokladem úspěchu a v gastronomii tomu není jinak. Organizování (kap. 6.1), plánování a kontrola (kap. 13.2) jsou základními stavebními kameny řízení. Nejen ve větších podnicích je vhodné aplikovat prvky systémového řízení. Využití se nabízí zejména u standardně opakujících se činností. Vedení podniku musí rovněž věnovat pozornost legislativě a dbát na dodržování hygienických norem. Autoři věnovali tématu ve dvanácté kapitole dostatečný prostor, vhodné jsou odkazy na důležité normy.

Pracovníci jsou základním kapitálem gastronomického podniku (kap. 14), pouze oni mohou ovlivnit kvalitu poskytovaných služeb. Proto je třeba jejich výběru, ale hlavně odbornému rozvoji, věnovat maximální pozornost. Větší podniky a řetězce si vytvářejí interní standardy kvality služeb, které jsou formou tréninků implementovány do provozu. Mezi obecné standardy, které vycházejí z gastronomických pravidel a zvyklostí, patří sestavování jídelních (kap. 8) a nápojových lístků (kap. 10.1) i servis jídel a nápojů (kap. 10.2).

Myslím, že cíl autorů byl naplněn. Publikace přináší komplexní pohled na problematiku a reflektuje současný stav v oboru. Dostatečný prostor je věnován aktuálním trendům. Poměr teoretických a praktických poznatků je vyvážený. Nechybí rejstřík ani odkazy na použitou literaturu. Publikaci doporučuji všem profesionálům i laické veřejnosti se zájmem o obor gastronomických služeb. Vhodná je rovněž pro studenty hotelových škol.“

Ing. Jiří Švaříček
ředitel hotelu Imperial Karlovy Vary

„První svazek publikací Vybrané kapitoly z hotelnictví a gastronomie Vysoké školy hotelové v Praze je hodnotný celkovým záběrem gastronomických služeb od klasické restaurace až po cateringové služby a uzavřené formy stravování. Uvádí se nejen praktické aspekty problematiky, ale i teoretické zdůvodnění a provázanost jednotlivých činností. Právě systémový přístup včetně vzájemného propojení a uvedení kauzálních závislostí patří k hodnotám předkládané práce.

K přednostem knihy patří i srozumitelnost výkladu a jeho opření o konkrétní zkušenosti a poznatky na jedné straně a teoretické zaměření i odkazy na další autory v této oblasti na straně druhé. To umožňuje využití nejen pro samotnou výuku studentů bakalářského a magisterského stupně, ale i pro hlubší zkoumání a rozvíjení oboru.

Publikace je dobře uspořádána, umožňuje snadnou orientaci v problematice a následný návrat k jednotlivým aspektům.

Autoři zdůrazňují pojetí služeb, které v gastronomii má snad nejvýraznější uplatnění. Již první kontakt s pracovníkem restaurace vede k určitému naladění hosta a může vést i k jeho odchodu – okamžitému i pro příští časy. Spolu se stručnou historií gastronomie vytváří úvod knihy příjemný vstup do problematiky, která už není jenom o pocitech, ale o mnoha odbornostech a požadavcích na kvalitní provozování restauračního provozu a na společné stravování vůbec.

Text může sloužit nejen pro profesionály či budoucí podnikatele, ale i pro poučenou veřejnost, která ráda vyhledává restaurace a cení si nejen dobrého jídla a pití, ale i kvalitního prostředí a odborně zdatné a milé obsluhy.

Přeji knížce dobrou cestu odborným světem“

prof. Ing. Jiří Jindra, CSc.
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