

ADAPTATION OF HOTEL ESTABLISHMENTS FOR BUSINESS TOURISM IN POLAND

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ABSTRACT | This paper presents an overview of the issues related to the readiness of Polish hotel establishments to develop business tourism services. The main purpose is to evaluate the adaptability of hotel facilities to support business tourism in Poland. It presents the results of a survey, carried out amongst managers of selected hotels serving business customers across Poland. The results indicate that business tourism in Poland has development opportunities. However, for its effective utilisation, hotel establishments should develop their resources in terms of both quantity and quality.

Introduction

Progressive economic development, as well as market globalization, contributed significantly to the development of one type of tourism, business tourism, which is defined in the literature as business travel. The statistics from the Global Business Travel Association shows that global business travel spending hit a record amount in 2015 with \$1.25 trillion USD. Future forecasts point to a further increase: 6.9 percent in 2016, 6.0 percent in 2017, 6.4 percent in 2018 and 5.8 percent in

2019 (GBTA, 2015). UNWTO (2015) statistical data indicates that business and professional travel represents 14% of total global inbound tourism.

Tourism should be an important part of the Polish economy, but the statistics clearly show that Polish tourism potential is not fully utilized. According to the WTTC (2015, p. 3) report the contribution of travel and tourism to GDP in Poland in 2014 amounted to: a direct contribution of 1.7% and a total contribution of 4.4%. The direct tourism and travel sector generated 1.7% of total employment, but overall this sector only generated 4.3% of total employment (WTTC, 2015, p. 4). So, it can be assumed that tourism in Poland, including business travel, needs a continuous process of adaptation to the high expectations of business customers. Business travellers require enterprises to achieve modern business service models and appropriate standards of tourism services. Therefore, there is a necessity for proper adaptation of tourist accommodation establishments.

This article primarily presents the aspects related to business tourism, with special regard to the quality and quantity of facilities for business travellers in tourism hotels. The purpose of the study is to evaluate the adaptability of hotel facilities for business tourism in Poland. Thus, it attempts to verify the research hypothesis: Polish higher standard hotels are well prepared to offer business travellers good standards. In order to verify the hypothesis an overview of the statistical data is presented, with the results of a survey, carried out amongst managers of selected hotels serving business customers across Poland.

Business tourism – selected aspects

In the twenty-first century business travel became an important form of tourism. “Business travel covers goods and services acquired by persons going abroad for all types of business activities” (UNWTO, 2008, p. 74). Davidson and Cope (2003, p. 3) suggest that “individual business travel comprises the trips made by those whose employment requires them to travel in order to carry out their work”. Swarbrooke and Horner (2001, p. 3), beside the definition of tourism travel introduce the concept of tourism business. It is “the broader term which encompassed all aspects of the experience of the business travellers”. Huang (2015, p. 1–2) emphasizes that “business tourism denotes the activities of persons travelling away from their usual place of environment for the primary purpose of work or business interests”, but with exclusion of “all forms of commuting to work and regular working journeys in their local areas”.

Weeden and Boluk (2014, p. 189–190) suggest that it is necessary to consider and compare business and leisure travel, because the boundaries between these categories can often be blurred. They specify two main differences between them, in respect of the decision-making process for the choice of final destination. Firstly, “business travel most often will only take place in urban areas, while leisure travel can be focused everywhere”. Secondly, business travel “relates to the decision-making process behind a trip”, because the employer usually makes decisions and pays for the travel. The business tourists may be people from various fields of science, business, members of various organisations, etc. They may be business owners, board members, employees or scientific staff (Sidorkiewicz, 2011, p. 22).

There are several main forms of business travel. Huang proposes the division of this form of tourism into: general business travelling (“off-site face-to-face meetings with business partners”), incentive trips (for employees’ rewarding and motivation) and participation in large scale business events, including: conferences, conventions, exhibitions, and trade shows (Huang, 2015, p. 1–2). Celuch (2015, p. 37) distinguishes the division of business travels on: congresses and conferences, corporate events, incentive events and trade fairs. The main types of business tourism are presented and defined in Table 1.

Table 1. Typology of business tourism

Business tourism	
Conferences	Business meeting up to 200 participants
Congresses	Business meeting over 200 participants
Trade fairs, exhibitions, events for clients	Organised for the purpose of presenting or sale of products of the company
Incentive travel, meetings, events	Events, travel, meetings, incentive for employees which are a reward or motivation for a better job
Integration events: internal and external, for employees and for key clients	They allow to increase the frequency and intensity of contact between the actors and the cooperation between them.
Gratifying events	They are a form of reward for the employees and often their families
Corporate meetings	The aim is to discuss important aspects of the company
Training travels	Aimed at broadening the knowledge of employees, learning travels
Business trips	Business trips of single or more employees – domestic or international

Source: on the basis: Iwan (2012), p. 27.

Beaverstock *et al.* (2009, p. 195) distinguish the main forms of international business travels as: intra-firm travels (divisional and regional meetings, closing and opening new business units, solving problems outside the company), inter-firm (client relations, supplier relations, entrepreneurial explorations and negotiating deals), journeys connected with external stakeholders (local and national government-relations, media, chambers of commerce, etc.), and finally – learning travels (trade fairs, conventions, conferences). This classification of business travel can be transposed directly to the domestic tourism market.

However, business tourism has specific characteristics which distinguish it from other forms of tourism. Business travels take place during the implementation of work obligations, for the realisation of primary commercial purposes. Journey participants (especially workers “posted” to a location) usually cannot influence the choice of travel direction and their place of accommodation. The demand for this tourism offer is less dependant on seasonal changes. A characteristic is that business tourism is less sensitive to the level of prices, especially in high standard hotels. These conditions can determine the high profitability of tourism enterprises and their specialisation.

Accommodation facilities and their adaptation for business tourism in Poland: insights from data source

Business Travel plays a key role in the whole tourism industry, because of the profitability of this segment of tourism. Swarbrooke and Horner (2001, p. XIV) indicate the growing importance of business tourism, because of a “higher level of per head spending, than other types of tourism”. Thus, business travellers are the main customers of most airlines and hotel chains, and business travels are the main form of tourism in many cities.

Statistical data from 2014, show that in Poland, a total of 18,820 business meetings and events were held. Table 2, shows how this number has been increasing since 2009, especially in the main business tourism categories. It is clearly visible that the number of corporate events and trade fairs increased until 2011, also that congresses and incentive events increased until 2012. After this period of time, the number of business tourism events and meetings began to decline in 2013, except for the corporate events. 2014 was a year of slow rebound in business tourism in Poland.

Table 2. Number of meetings and events according to their category in the years 2009–2014

Category	2009	2010	2011	2012	2013	2014
Congresses/conferences	2,127	6,420	9,873	10,622	9,186	10,318
Corporate events	1,221	9,669	10,715	4,657	6,202	5,558
Incentive events	295	903	4,051	5,305	2,029	2,272
Trade fairs	357	1,008	2,421	1,716	693	672
Total	4,000	18,000	27,060	22,300	18,100	18,820

Source: Celuch (2015), p. 37; <http://www.poland-convention.pl/en/news/premiere-of-the-report-poland-meetings-and-events-industry-2015> (20.02.2016).

In order to demonstrate the potential of business tourism in Poland, it is important to analyse the accommodation establishment statistics. The number of accommodation places in Poland is still growing. Although, it was reported, that between 2003 to 2005, saw the largest decrease in the number of beds. However, in 2011 it can be seen that a sharp increase in the number of accommodation facilities had started (Figure 1).

The Central Statistical Office (GUS) base of accommodation in Poland indicated in 2014, that there were in general 9,885 establishments. This number includes 3,646 (36.8%) hotels and similar establishments (including: hotels, motels, boarding houses and other hotel facilities), and 6,239 (63.2%) are other establishments (excursion hostels, shelters, youth shelters, school shelters and holiday centres). Hotels are the most numerous group of tourist accommodation establishments in Poland, and their numbers are increasing (in 2014 the number of hotels was 2,250 and this number increased by 6.8 percent compared to 2013).

The GUS report from 2013, enables to analyse the level of Polish accommodation establishments with specific adaptation for business tourism. 97 percent of 9,775 accommodation establishments were equipped for conferences, with conference rooms at that time. In the group „hotels

and similar establishments” 66.6% (3,485) of units were adapted for business tourism, but up to 81.5% (2,841) hotels were prepared to conduct a conference or meeting. In the second group „other establishments”, 72.9% of training-holiday establishments and 26% holiday centres were adapted to organise conferences and meetings.

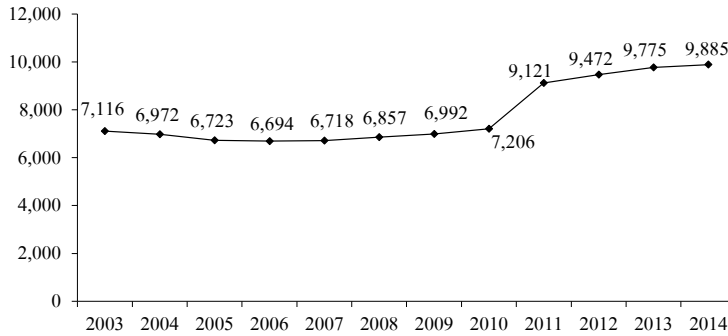


Figure 1. Tourist accommodation establishment in Poland (2003–2014).

Source: GUS (2011), p. 2; GUS (2013b), p. 83; GUS (2015), p. 126.

The percentage of hotels implemented the equipment which is necessary to offer business tourism services is presented in Figure 2. The results clearly show an inadequate level of facilities currently provided at an appropriate level, for business tourism services. The results clearly show an inadequate level of facilities to provide business tourism services at an appropriate level. The owners of current and future accommodation establishments should adapt their facilities to business tourism. Provision of this type of equipment could also improve other forms of Polish tourism service.

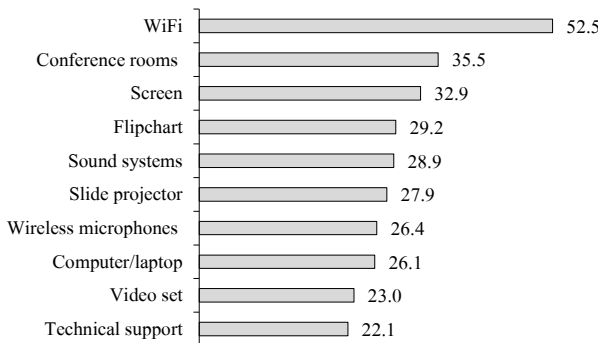


Figure 2. Percentage of accommodation establishments in Poland with conference and meetings equipment in 2013

Source: GUS (2013a), p. 5.

These facilities will have more and more importance, and thus accommodation enterprises will have to compete for business customers, which could potentially bring them bigger profits. From year to year the number of both bed places and support facilities (suitable for business meetings) are growing. Poland has a big opportunity to develop this form of tourism. The globalisation, economic development and central location in Europe promotes the development of business tourism in Poland.

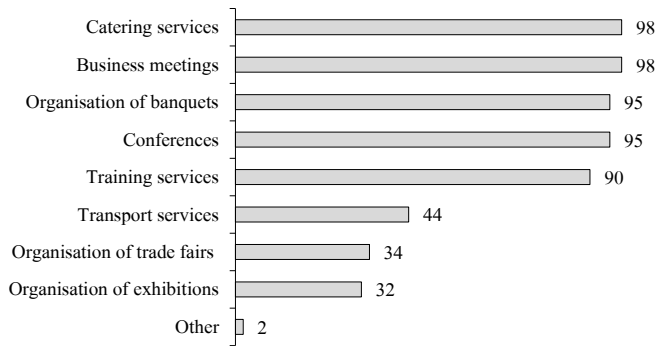
Levels of preparation of Polish hotels for business tourism, in the opinion of industry representatives

To achieve the objective and verification the hypothesis, established in the introduction, a questionnaire survey was conducted between 29.04.2014 and 13.05.2014. In this section, there were used information contained in the bachelor thesis: A. Byrdziak, *Perspektywy rozwoju turystyki biznesowej w Polsce*, written under the supervision of author of this paper, ATH, Bielsko-Biala 2014. The survey was sent to managers of accommodation facilities dealing with the organisation of business tourism, using e-mail and the Internet portal. The study covered hotels located in Poland, which offer services for business customers, and which organise business meetings.

The overall number of hotel facilities in Poland in 2014 was 2311. The sample study population was 261 hotels of 4 and 5 star quality that provide business tourism services through the website www.mice.pl. Every third unit was randomly selected from the list which equated to 104 hotels for the survey, this represented 40% of the population. 41 of these questionnaires were received back, which was 39% of the original research sample.

Amongst the correctly completed respondents questionnaires, the vast majority were located in city centres (59%), whilst significantly fewer (22%) were located on the edge of the city, and 20% for the city itself. Among the respondents 51% had been operating for 6 to 10 years, 32% had functioned for 5 years or less, while 17% were over 10 years old. The vast majority were 4 star hotels, representing 85% of the sample, while 15% were 5-star. Regarding size, the largest percentage of respondents had less than 50 rooms (32%) and 32% had from 51 to 100 rooms. 15% of hotels had 101 to 150 rooms, 5% of hotels offered 151–200 rooms, 12% 200 to 300 rooms, and finally 5% of the respondents had over 300. Among the respondents, 44% were representatives of small companies (up to 50 employees), medium-sized enterprises, from 51 to 250 employees, also made up 44%, and 12% of hotels were large companies, employing more than 250 people.

The actual survey contained 22 questions. This paper presents only some of those questions, in order to achieve the intended research objective, also from the point of view of business tourism services offered by the surveyed hotels (Figure 3). Almost every researched hotel offered: catering services (98%), organisation of business meetings (98%), organisation of banquets (95%), conferences (95%) and training services (90%).



Respondents could choose more than one answer.

Figure 3. Business tourism services offered by the surveyed hotels (%)

Source: results of survey research.

Of the surveyed hotels less than half (44%) offered transport services to their customers. Only a third of the hotels offered the option to organise exhibitions and fairs. Only 2% of respondents added that they organised incentive and integration events. Almost all respondents offered the main facilities and services for business customers. On the other hand, the majority of respondents declared their willingness to introduce new products to its business offer (Table 3).

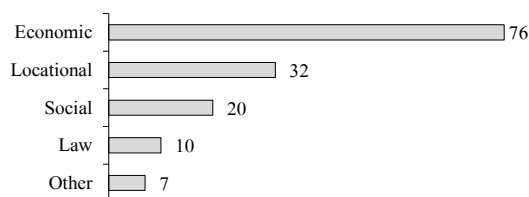
Table 3. Business tourism services – offered, not offered and implementable (%)

Services	Offered	Not offered	Implementable
Conferences	95	2	2
Congresses	51	34	15
Trade fairs	44	46	10
Exhibitions	46	39	15
Incentive events	88	7	5
Corporate meetings	100	0	0
Trainings	100	0	0
Consumer events	88	10	2

Respondents could choose more than one answer.

Source: results of survey research.

For the largest group of respondents (76%) economic barriers were the key factor limiting the development of this kind of tourism (Figure 4). The next place was taken by locational barriers, indicated by 32% of respondents. Social aspects were the most important barriers for 20% of the surveyed hotels. Much less, only 10% of respondents recognised legal barriers as the most important limitation. 7% of “other” responses were concerned with the lack of city support for business tourism development.



Respondents could choose more than one answer.

Figure 4. Barriers to the development of business tourism in Poland, in the respondents' opinion (%)

Source: results of survey research.

The results of the research indicate that every researched higher standardised hotel had at least one conference room and the equipment necessary to conduct main forms of the business meetings. The majority of the forms of business tourism (conferences, congresses, incentive events corporate meetings, training, consumer events) was available in the researched hotels. Less available are services connected with fairs and exhibitions. Business meetings usually last from 1 to 3 days, most rarely more than a week. Each of the surveyed hotels had the necessary equipment to carry out business meetings. Business clients had the opportunity to choose from different standardised rooms. More than half of the surveyed hotels sold services for 1,000 to 10,000 business customers per year. Most of the hotels have on the area of their activities other competing company specialising in the organisation of business meetings. Most hotels do not belong to any organisation of entities in the industry specialising in business meetings, but other researched hotels belonged to the Convention Bureau.

Conclusions

Business tourism in Poland has many development opportunities. The statistical data and research results show that accommodation establishments in Poland are quite well prepared to handle business clients. The ongoing process of globalisation determines the need for further development of business tourism in Poland. Modern trends in these services, often the organisation of business trips, as well as increasing contacts between participants in business matters, forces the industry into continuous improvement. However, the biggest threat to the development of business tourism is the insufficient promotion of this form of tourism abroad. Business tourism is dominated by other European countries, because they are more competitive. However, this research indicates that business tourism can greatly contribute to the development of not only tourism itself, but also many branches of industry and economy in Poland. Finally, the purpose of this paper is achieved and the hypothesis is confirmed, subject to the limitation that only high standard hotels were researched.

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PRZYSTOSOWANIE OBIEKTÓW HOTELOWYCH DLA POTRZEB TURYSTYKI BIZNESOWEJ W POLSCE

SŁOWA KLUCZOWE

turystyka biznesowa, obiekty hotelowe, oferta

STRESZCZENIE

W artykule przedstawiono przegląd zagadnień związanych z poziomem przygotowania polskich obiektów hotelowych na potrzeby rozwoju usług turystyki biznesowej. Głównym celem jest analiza oferty obiektów hotelowych wspierającej rozwój turystyki biznesowej w Polsce. Przedstawiono wyniki badań ankietowych, przeprowadzonych wśród menedżerów wybranych hoteli obsługujących klientów biznesowych na terenie całego kraju. Wyniki wskazują, że turystyka biznesowa w Polsce ma szanse rozwojowe, jednak dla jej efektywnego wykorzystania, obiekty hotelowe powinny rozwijać swoje zasoby zarówno pod względem ilościowym, jak i jakościowym.