Quantitative and quality features of business tourism in Istria and potential possibilities of its improvement

Rudančić- Lugarić, Andreja; Herak, Ivan; Herak, Martina

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Andreja Rudančić- Lugarić
Visoka poslovna škola
s pravom javnosti u Višnjanu
Istarska 23, 52463 Višnjan-Poreč
alugaric@hotmail.com
Phone: +385996542590

Martina Herak
Selska cesta 90F
10 000 Zagreb
hera.the.girl@gmail.com

Ivan Herak
Visoka poslovna škola
s pravom javnosti u Višnjanu
Istarska 23, 52463 Višnjan-Poreč
i.herak@yahoo.com
Phone: +385911367144

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QUANTITATIVE AND QUALITY FEATURES OF BUSINESS TOURISM IN ISTRIA AND POTENTIAL POSSIBILITIES OF ITS IMPROVEMENT

Abstract

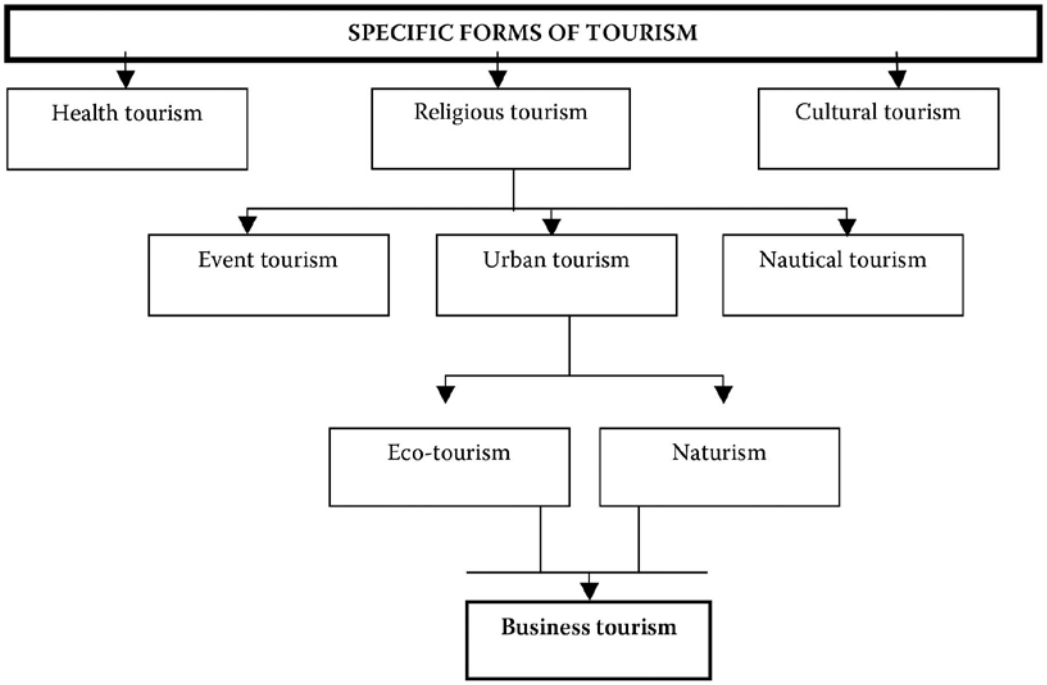
In the last several years there has been more interest in new segments of tourism, such as business tourism, on the international tourist market. This share of tourist market represents an exceptionally important segment of tourist offer, especially within the context of tourist season prolongation, increasing the attractiveness level of a tourist destination and certain economic effects that are achieved by developing this share of the tourist market. Specific forms of tourism, such as business tourism, require specific rooms, services, products, in a word, specific tourist destination, so the strategy of a tourist destination's positioning for this segment of tourism must start with the fact that competition is strong and tourist needs are very heterogeneous. In the last few years, tourism of Istria County has recorded increasing orientation towards the segment of business tourism. The aim of this paper is to assess, examine the level of business tourism development in Istria County through the factors of quantitative and qualitative analysis. Based on the analysis of the current business tourism offer, the paper attempts to indicate the necessity of qualitative improvement of the business tourism product, and make proposals, visions and goals of the system by which one could contribute to the development of Istria County as a business tourism destination, which would definitely attract higher demand, make additional financial effects and reinforce its image on the world tourist market of business events.

Keywords: specific forms of tourism, business tourism, quantitative and qualitative analysis of the present situation, Istria County

1. Introduction

Specific forms of tourism cannot be fully observed and studied as "classic" forms of tourism, given that the selection of these types of tourist trends is a complex phenomenon that is, inter alia, determined by a high impact of technological development on the selection of these types of tourist trends, strong market segmentation, specificities of management and the distribution itself of these forms of tourism. Specific forms of tourism are oriented on lesser segments of tourist demand, and they have emerged as the antithesis to "mass" tourism. In that context, a significant place belongs to business tourism. There are many specific forms of tourism, and some of them are shown in the following scheme.

Scheme 1 Specific forms of tourism



Source: prepared by the authors according to (Blažević, I. Knežević, R. (2006). Turistička geografija Hrvatske. Opatija: Fakultet za menadžment u turizmu i ugostiteljstvu u Opatiji.)

Business tourism, as one of special forms of tourism, implies and includes thematic events of scientific and professional character organized in a specific place, most frequently in cities. Such events very often include relatively large number of participants i.e. business people, the consumption of which in the destination is averagely higher than the consumption of ordinary visitors. Since business tourism[1] has developed much faster than professional literature that has accompanied this phenomenon, there are only few scientific and professional papers available that attempt to contribute to more fully consider the importance of such type of tourism for national economy. Business tourism has a short development curve and is a dynamic phenomenon in the sphere of specific types of tourism, which rapidly increases and matures on a global scale (Gračan, Rudančić-Lugarić, 2010).

Therefore application researches are continuously performed and recorded in the world that are then adequately statistically analysed and recorded, in the way that contributes to better understanding of the concept and economic significance of business tourism.

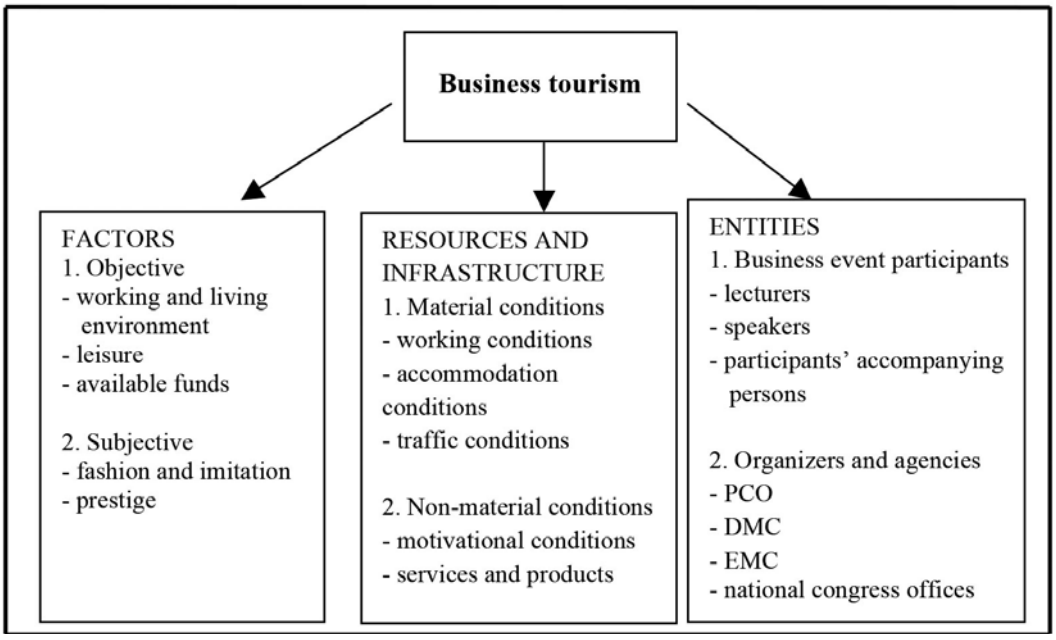
1.1 Specificities of business tourism

Until recently, this type of tourist trends has attracted very little attention of researchers, academia, but also of governments of the countries with developed tourist offer, and the deficit of adequately defined and accepted terminology in the field of business tourism is therefore evident, which has also reflected on the availability and reliability of statistical data on the size and value of the business travel market. Thus foreign scientific literature states the definition of congress tourism[2] that specifies it as a set of phenomena and relations arising from the trip and stay of a person that come together to exchange predominantly scientific and professional information, and whereby the event's place is not a permanent place of residence or work (Lucianovic, 1980). Therefore it follows that congress tourism is the totality of phenomena and relations arising from the trip and stay of persons that attend an event outside their place of permanent residence.

Due to its essential features, the form of definition must also be stated, which indicates that congress tourism is based on the number of events that have their working and touristic part (Franić, 1977a). Likewise, the terms "business travel"[3], "business tourism"[4], "congress industry"[5], are frequently equated, and in the available literature they imply congresses, conferences, exhibitions (fairs) and incentive travels. However, many authors agree that there are significant differences between the notions of business travel and business tourism. Namely, business tourism is a term referring to those business travellers that are also tourists, i.e. they stay outside the place of permanent residence and have at least one overnight stay. On the other hand, a business travel implies a movement of business travellers from point "A" to point "B", which also includes daily migrants for business reasons. The expression "meeting industry" is of a very recent origin, which has not been used until second half of the twentieth century.

This wider definition is motivated by the fact that for tourist offer it is unimportant why participants have gathered; what is important is that participants use all those services that are also used by other guests i.e. tourists of holiday tourism, thereby also using the congress-tourist offer in the strict sense. Finally, it may be pointed out that business tour-

Scheme 2 Constructive factors of business tourism



Source: Rudančić-Lugarić, A. (2012). Business tourism as a key impetus of increased tourism in the city Opatija, Graduate Thesis. University of Rijeka, Faculty of tourism and hospitality management

ism and all its segments are the place for creation of a new cognitive value (Alkier Radnić et al., 2013). Similarly, business tourism can also be described as a driving force that, in addition to economic development, also stimulates professional development. Business tourism, as a special segment of tourism, encompasses the visit of a destination by the participants of various seminars, congresses and conferences, and it consists of special structural elements that enable the development and formation of business tourist offer, the purpose of which is the satisfaction of business tourist demand. Scheme 2 above provides an overview of important business tourism factors.

Due to its special features in relation to general or mass tourism, business tourism requires specific structural elements that are presented in Scheme 2, which is not final and is subject to expansion and changes.

Structural elements of business tourism are divided into individual segments, such as factors, resources and infrastructure, and business tourism entities. Each individual segment shall be individually explained later.

Business tourism consists of objective and subjective factors. Objective factors combine work and living environment, leisure and available funds of business event participants. In the occurrence of mass tourism the first part of the stated factors significantly impacts the increase in tourist demand, while in case of demand in the segment of business tourism the stated factors play a minor role, although they are certainly present. It is generally considered that business event participants have higher purchasing capacity, i.e. higher personal standard in relation to mass tourism participants. Namely, travel costs of an event's participants are most frequently covered by employers, and thereby the participants have more financial resources at disposal intended for consumption in the target destination, it should be borne in mind that business events also contain its entertainment-tourist segment that complements the working part. This undoubtedly shows that objective factors decisively determine the demand in business tourism. Subjective factors of business tourism imply subjective behaviour of individuals, based on which the activity of subjective factors is enhanced. In this group of factors, trendiness, imitation and prestige are particularly pronounced, which also have some importance as they represent some of the driving factors in business tourism.

Business tourism has to a large extent many elements in common with the basic forms of tourism in general. However, in relation to the basic forms of tourism, given the specific character of business tourism, a distinction should be made between the conditions that are in the domain of resources and infrastructure, and these are material and non-material conditions of business tourism. Material conditions of business tourism imply working, accommodation, traffic and motivation conditions. Various congress centres and congress halls to hold events, projectors and projection screens, computers, multimedia equipment, sound equipment and other presentation equipment are the basis of working conditions for the event participants. Business events that are longer than one day also require the conditions relating to provision of accommodation services, which are mostly realized in hotels, while in specific circumstances accommodation can also be organized in university campuses, rented cruiser boats and similar. Due to a large number of business event participants that mostly do not know each other, it is necessary to organize a sufficient number of single-bed accommodation capacities, and in addition, it implies, bearing in mind that business tourists represent a more demanding segment of demand, the appropriate offer of high quality provision. Traffic conditions in business tourism refer to the transport of participants and accompanying persons, of goods such as various materials needed to hold an event, and information transfer. One of the most important factors, when it comes to transport elements of business tourism, is certainly the transport accessibility of a business tourist destination. It is important to all participants that an event is held in a location that is close to transport routes and intersections, i.e. airports. The destination in which an event is held must have a good traffic communication from the airport, bus and railway terminals to the place of event and accommodation of participants. In addition, the important of local traffic connections within the event's destination should also be pointed out, which implies a sufficient number of city buses, trams, subway, taxi service, car rental agencies and the like. Business tourism in general terms uses all forms of transport, such as air (commercial and charter flights, private planes flights and helicopters), railway, road transport (private cars, buses, rent-a-car, taxi services), and sea transport (ferries, cruiser boats). In addition to the mentioned aspects of traffic, one of the most important factors of business tourism

is also the transmission i.e. transfer of information by means of information technology (ICT). In the modern world of the information age, business is dominated by "virtual organizations", "mobile offices" and similar. Therefore it can be freely stated that Internet communication platform is the one that enables the participants of various events to simultaneously attend an event and conduct business in their companies. In the rapid transmission of information phone and mobile connections are still used, fast Internet and Intranet connections, wireless technology and other applications. In addition to material conditions, non-material conditions also form important component of business tourism. Non-material conditions include motivational conditions and various services and products. Motivational conditions enrich the business tourism offer as they contain natural and social determinants, which differently affect the choice of the place to hold an event. Natural determinants are the set of decisions referring to participants that participate in the event primarily due to the entertainment component of the event, as well as the opportunity to travel and meet new tourist destinations, its natural and competitive attractions. This is not the primary need of participants, but is by all means an interesting and attractive addition of the organized event's program. Social determinants are also emphasized and express the motive and wish of participants for socialization and external interaction with other participants of the same interest areas. Self-actualization and change of a living routine are also the segments of the motive affecting the decision to participate in a specific event. It should by all means be pointed out that the need of business tourism must always be ready to emphasize all attractions offered and to realize them adequately.

The entities of business tourism are the participants of a business event participating actively or passively in the event's work as listeners, lecturers or speakers. Many event participants come accompanied, implying all persons that do not participate in the event's work as lecturers or speakers, and have come to the place of an event accompanying a participant or at the organizer's invitation. Program for guests includes a various range of services, from sightseeing and shopping to the visit of cultural sights. There are several circumstances affecting more or less persons accompanying the participants, such as: (Franić, 1977b) choice of the event's venue (less or more attractive destination, accessibility of the destination, climatic advantages of the destination), lack of knowledge about the tourist destination, size of the event (larger events have better and more various attraction programs for the people accompanying the participants), type of event (events with a strict working character are not particularly interesting for the people accompanying the participants), length of events (shorter events contain the minimum attraction programs for the people accompanying the participants or completely eliminate it), financing of the stay for the event's participant by the company, purchase power of participants, frequency of events attendance and the quality of attraction programs for the guests (Dorfler, 2006). The segment of event participants is very significant, especially if one takes into account the purchasing power, consumption structure and length of stay in the destination of the persons accompanying the participants.

Very important structural factors of business tourism, other than the participants themselves, are certainly the event organizers. Event organizers are most frequently hotel business entities, i.e. hotels. Hotel companies as event organizers provide the space to hold an event offer basic hotel services (accommodation, food and beverage), and can also in addition organize and offer parallel activities programs for the guests, event participants. According to some researches, when it comes to the organization of special events, hotels represent the most attractive products on the supply side (Davidson, Cope, 2003). Generally speaking, the only problem of hotel companies is the lack of appropriate congress capacities. In addition to hotel companies on the supply side, various conference centres of smaller or larger size can also appear in business tourism, which in contrast to the hotel prove a basic service of space rental to hold an event (such as conference rooms and halls) and the service of event organization.

2. Business tourism in Istria County

For many years, everything that was significant in relation to business tourism has functioned on the route Zagreb – Dubrovnik – Opatija. These three destinations have, with their basic tourist content, also adapted the offer of business tourism, and thus they today achieve significant results in these area.

Business tourism in the Republic of Croatia, for many reasons, has been mostly linked to Zagreb. Although many cities in the Republic of Croatia have attempted to compete and develop that form of tourism for years, only Dubrovnik has produced significant results, primarily due to the appreciation of the Dubrovnik brand as the business tourism destination, not only on the regional, but also on the world level. The factors that have additionally favoured the positioning of Zagreb and Dubrovnik were certainly the airports, which are, when it comes to business tourism, the basic prerequisite for the development of business tourism. Opatija has also taken its place on the map of business tourism destinations over the years, while Istria, as the most important tourist region of the Republic of Croatia and a kind of synonym for quality and success in tourism, has not managed to develop its business tourism for many years to the necessary extent. Only by establishing major hotel companies such as Maistra, Valamar and with the arrival of chains Kempinski in Savudrija, Istria started to also adapt its offer to this, in the opinion of many, most lucrative segment of tourism. The stated hotel companies have made their tourist offer very heterogeneous, and in this process business tourism also got its significant portion. Business tourism in Istria County takes place on the route Savudrija – Umag – Poreč – Rovinj, to which Pula should also be added.

It can be concluded from the stated that the destinations that are the most important holiday tourism destinations, have also become the centres of business tourism. The reasons for this should be searched in the fact that the mentioned destinations, during the years of successful pursuit of hospitality and tourist activity, have become aware of the lucrativeness of business tourism and all effects that this segment of tourism brings to a destination. In all these cities the major part of business tourism takes place within the hotel, while only a minor part takes place within the accompanying congress areas. Nowadays, with its content and quality, as well as tourism turnover achieved in the sphere of business tourism, Rovinj has moved to the forefront. The continuation of this paper provides quantitative and qualitative analysis of the current state of business tourism in Istria.

2.1 Quantitative and qualitative analysis of Istria's business tourism

Quantitative indicators show the tourist turnover, number of tourists' arrivals and realized overnight stays, while the qualitative analysis analyses the elements of quality and diversity of the offer, which monitors business capacities as the primary prerequisites of business tourism operation.

Table 1 Level of tourists' education by Counties

LEVEL OF EDUCATION	ISTRIA COUNTY	PRIMORJE –GORSKI KOTAR	LIKA – SENJ COUNTY	ZADAR COUNTY	ŠIBENIK – KNIN COUNTY	SPLIT – DAL-MATIA	DUBROV-NIK – NERETVA	Total
Elementary school	1.5	0.1	2.5	0.7	1.0	1.4	0.9	1.0
Secondary school	41.3	46.2	40.7	27.7	52.6	34.1	27.5	39.0
Higher education	35.0	25.5	27.0	37.2	17.4	30.1	28.2	30.2
University and more	22.1	28.3	29.7	34.2	28.9	34.3	42.2	29.6
Other	0.1			0.2	0.1	0.0	1.3	0.2
TOTAL	100	100	100	100	100	100	100	100

Source: Obilježja turističke potražnje, TOMAS (2012). Zagreb: Institut za turizam

According to the data from the Central Bureau of Statistics of the Republic of Croatia, in 2012 Istria had 3,011,316 arrivals of foreign guests, which is 10% more than in 2011, and had 20,657,506 overnight stays, which is 8.49% more than in 2010. The last data refer to December 2011 in which 22,505 were realized (9% more than in December 2010), and 72,709 overnight stays (2% more than in 2010). Many experts and analysts agree that exactly business tourism has significantly contributed to the increase of guests and overnight stays number, especially in the periods off the main tourist season.

The tourists that visit Istria averagely have 10.3 overnight stays in Croatia, i.e. 9.5 overnight stays in a tourist place. About 55% tourists have up to 7 overnight stays in Istrian destinations, whereby the share of longer overnight stays in relation to 2007 has significantly decreased (from 45% in 2007 to 55% in 2010) (Marušić, Ivandić, 2011). It can be concluded from the stated data that Istria has a significant share in total tourism of Croatia. In order to better analyze the demand of business tourists and business-tourist offer, it is necessary to also specify quantitative data about the socio-demographic characteristics of Istria County.

Table 2 Motives of tourists' arrival to Istria according to countries of origin

Motives	Croatia	Germany	Slovenia	Italia	Czech	Austria	Poland	Slovakia	Nether-	Hungary	Russia	France	Great	B&H	Serbia	Total
Passive vacation	77.7	74.2	68.1	70.6	84.2	75.0	73.2	86.0	76.2	70.1	72.0	67.2	74.8	89.2	72.9	75.1
Enterta-inment	39.8	45.5	50.1	53.0	41.4	48.0	40.9	40.9	43.1	44.3	36.4	36.7	31.5	24.9	35.2	44.1
New experiences	18.2	23.9	28.8	21.5	22.6	22.6	30.1	27.8	28.8	33.3	18.0	35.1	37.1	14.4	26.8	25.3
Gastronomy	20.5	24.7	21.7	20.9	18.5	27.4	20.6	8.1	29.5	20.1	25.5	22.9	27.0	7.5	10.8	21.9
Natural beauties	11.4	21.6	14.0	18.5	26.2	19.2	29.0	18.5	27.6	20.5	29.4	32.2	25.0	7.5	21.4	20.9
Visit to family or friends	19.2	8.1	15.8	11.1	4.7	4.7	4.3	4.9	6.6	5.4	4.2	3.5	7.1	10.0	28.2	8.6
Sport and recreation	7.8	9.0	9.5	7.4	12.5	7.4	9.5	7.7	2.4	8.4	5.1	10.9	5.0	2.3	5.7	8.3
Cultural sights and events	5.4	5.6	4.8	6.7	2.9	6.0	13.1	6.2	12.5	7.3	18.1	13.3	18.8	6.2	4.3	7.1
Health rea-sons	7.0	4.6	5.1	3.7	5.3	6.3	0.8	9.7	4.2	4.5	1.6	0.7	2.5	13.8	2.6	4.7
Diving	2.5	3.4	3.5	1.8	2.8	4.2	7.3	8.9	2.7	4.0	2.7	2.1	2.6	4.2	1.0	3.6
Other motives	3.7	2.3	4.7	4.1	0.4	3.5	5.0	1.6	4.9	1.6	2.7	2.5	3.8	6.3	2.1	3.2
Shopping	0.3	1.4	1.1	1.8	2.1	3.5	3.5	0.9	2.2	3.2	4.5	3.2	3.2	1.5	1.1	2.3
Wellness	0.7	2.8	1.2	2.8	0.5	1.6	0.2	2.3	0.5	1.9	1.5	3.5	1.6	0.4	0.1	1.7
Business commitments	1.7	0.3	1.0	1.1	0.3	0.6	0.5	0.4		1.8	1.6	0.8	0.4	0.4	0.2	0.8
Religious reasons	0.3	0.6	0.2	0.3	0.1	0.2								1.8		0.3

Source: Obilježja turističke potražnje, TOMAS (2012). Zagreb: Institut za turizam

Chart 1 The relation of business commitments ratio and passive vacation ratio, as the motives of tourists' arrival to Istria



Passive vacation ¡Business commitments

Source: analysed according to the previous table

It is important to pay attention in Table 1 to the group of guests in categories "higher school" and "university and more", since business tourists are mostly "recruited" from these two groups. If these two groups of tourists are added together, we come to the conclusion that their share in the total number of tourists is 57.1%, from which it can be concluded that the majority of tourists that visit Istria are highly educated.[6]

The structure of tourists observed according to the motives of their arrival to the destination, as presented in Table 2, also falls into quantitative indicators.

Table 2 indicates that business commitments are at the bottom of the scale of motives why tourists visit Istria. It is likewise evident that the majority of tourists that come to Istria due to business commitments actually belong to the group of domestic tourists. A significant number of business tourists also come from Russia (1.6) and from Hungary (1.8). Outbound countries, from which tourists come to Istria the least due to business reasons, are the Czech Republic (0.3) and Serbia (0.2).

Table 3 Structure of business tourists per cities of Istria County

MOTIVE OF ARRIVAL	Katoro	Medulin	Novigrad	Poreč	Pula	Rabac	Rovinj	Umag	Total
Business commitments			0.7	2.1	0.3	1.0	0.4	1.0	0.6

Source: adjusted according to Obilježja turističke potražnje u istarskoj županiji. (2012). Zagreb. Institut za turizam

It is evident from the chart that the majority of guests still perceive Istria as a holiday destination. The continuation states, observed per individual places, the percentage of tourists that have arrived to Istria and stayed because of business commitments.

It can be concluded from Table 3 that business tourism in Istria County takes place in major tourist centres. Although efforts have been continuously made to increase the number of foreign business tourists through various promotional activities and joining certain world business tourism associations, business tourism of Istria County is however still based on domestic demand. One of the reasons that greatly affects the stated fact is certainly the lack of flights to the main business centres (e.g. Frankfurt) from Pula airport, due to which it is difficult for the tourists coming from more distant destinations to coordinate flights and other commitments with the business event's schedule, as the majority of business tourists most often arrive either one day before the event's start or on the date of the event's start itself.

In recent years there has been a decline of average tourist consumption in the Republic of Croatia, which suggests an outdated pattern of thinking about tourism, characteristic for the period of so called mass tourism, when the main goal was to "churn out" as many tourist arrivals or overnight stays as possible, while financial results and profit were of secondary importance. We can also observe the relation of average daily consumption of so called ordinary tourists in the similar context, which is EUR 66.3 for Istria County and average daily consumption of business tourists that is EUR 166. The consumption of business tourists becomes more significant if we know that it is mostly realized off the main tourist season. It is almost impossible to cover the total revenue from business tourism as the statistics mainly deal with the number of participants and the number of events held. In addition, the problem is also the fact that business tourism brings significant side income that can be hardly assessed.

A special problem is also the fact that data are mostly the organizer's trade secret. However, it is possible to compare the trends in revenue according to the available data for the Republic of Croatia-highest revenue from business events was recorded in 2008, when it was HRK 269,075,302, while the lowest turnover was recorded in 2006, when only HRK 186,714,199 was realized. In 2009 and 2010 there was a decrease of revenue as the result of recession and reduced costs of companies for such forms of consumption. In the continuation of this paper the data on business tourism capacities within Istria County will be presented, which are actually hotels within the hotel groups that have business tourism capacities in their offer, small private hotels that can accommodate only minor business events and restaurants that can be adjusted accordingly for the needs of business events.

Within the area of the Town of Umag, congress capacities are concentrated in Kempinski hotel Adriatic, which has the total of 1,297 seats in 10 smaller halls, and Istriaturist with their three hotels, which have 6 halls with the capacity of 20-350 seats and two halls with the capacity of 100 seats. Within the area of the Town of Poreč, two companies from Poreč, Riviera Valamar and Plava laguna, have the capacity of approximately 2,500 seats on 5 different locations. Maistra in the Town of Rovinj has the capacity of 4,100 seats on four different locations. The City of Pula has the congress capacity of approximately 1,300 seats on four different locations. Quantitative indicators suggest that Istria is potentially a very important destination for the development of business tourism, since it has the facilities and capacities that are potentially exploitable and of high quality. More specifically, Rovinj's Maistra records averagely hundred congresses per year, which is a huge increase if compared with 2006. Such trend is also followed by other towns in Istria, but not with such intensity.

Scheme 3 SWOT analysis of Istria as a business tourism destination

INTERNAL ENVIRONMENT	
STRENGTHS	**WEAKNESSES**
Numerous quality capacities - Geo-traffic position in relation to the Southeast Europe - Hospitality - Safety - Heterogeneity of accompanying events - Good gastronomic offer	- Lack of activities of in-house DMC office - Lack of Istria's promotion as a business tourism destination - Irregular flights from Pula airport to the main international business centres - Lack of employees educated for MICE sector - Lack of cooperation and promotion via the world business tourism organizations - Lack of facilities and major congress centres - Lack of entertainment facilities and theme parks
EXTERNAL ENVIRONMENT	
OPPORTUNITIES	**THREATS**
- Inclusion in the world business tourism organizations - Positioning of Istria as a business tourism destination - Construction of congress centres suitable for major congresses - Analysis of new markets (for example Russia that favours Istria as a tourist destination) - Establishment of PCO companies - Construction of golf courses	- Variety of Dalmatia's offer, especially of Dubrovnik - Development of business tourism and tradition in Opatija - Increased use of modern electronic technology (e – conference, Skype...) - Lack of investment projects - Various regulations that hinder the development of business tourism (for example the construction of new capacities) - Decline of purchasing power, i.e. crisis and bankruptcy of many major companies

Source: authors' analysis

With the construction of the planned capacity in the area of the present Monvi centre, Rovinj will likely strengthen its position as the leading business tourism destination in Istria. Average annual growth rate of business tourism in Istria is estimated at 8% in relation to 2010, mainly due to the congress offer of Maistre in Rovinj. The SWOT analysis represents the synthesis of the key strategic factors. Thereby the key strengths and opportunities offered in the vicinity are made. In addition, the analysis of strengths and weaknesses (SWOT analysis) is one of the important preconditions for the assessment of a destination's current competitiveness with the estimation of future opportunities and risks that can determine its further direction of development. The identified weaknesses are attempted to be solved by policies and activities, by trying to turn them into strengths. Based on the quantified analysis of the business tourism potential, basic strengths, weaknesses, opportunities and threats are singled out by means of the SWOT analysis of business tourism in Istria County.

Strengths and weaknesses of Istria as a business destination can be read from the stated SWOT analysis, as well as its opportunities for development and threats coming from the dynamic environment. When it comes to strengths, gastronomic offer of Istria needs to be pointed out, which has not been discussed before, and which is very important in the context of business tourism phenomenon. This importance has been long since realized by Maistra from Rovinj and it has invested significant funds in the hotel Monte Mulini, so that the cuisine of that hotel could become recognizable. The gastronomic offer of Istria has been additionaly confirmed by the fact that out of 40 restaurants that are included in one of the most appreciated gastronomic guide Gault Millau, as many as 18 of them are located in Istria. After having analyzed Istria by means of a SWOT analysis, this destination needs to be observed through the lens of preferences and satisfaction levels of tourists with specific segments of Istria's tourist offer. Satisfaction with the tourist offer elements is questioned by the survey in this case conducted by the Institute for Tourism Zagreb.

In addition to the activities of tourists in Istria, it can be also concluded from the table which activities are not of major interests to tourists, so one should try to promote and improve these activities.

Table 9 Activities of tourists during their stay in Istria in 2012

ACTIVITIES	PERCENTAGE
Swimming and bathing	98.5
Pastry shops, coffee shops	98.2
Restaurants	91.8
Shopping	85.7
Visit to local parties	68.9
Nature walks	62.1
Sightseeing	57.8
Concerts	48.5
Museums and exhibitions	43.2
Dancing / disco	43.0
Water sports	42.5
Excursions to national parks, nearby small towns and similar	41.2
Tennis	34.4
Cycling	33.4
Theatre / events	30.6
Health – recreational and wellness programs	27.6
Golf	26.8
Wine routes tours	26.1
Diving	23.8
Olive oil routes tours	20.3
Fishing	17.4
Adventure sports	17.0
Riding	16.0
Bird watching	15.9
Trekking	8.1

Source: Obilježja turističke potražnje, TOMAS (2012). Zagreb: Institut za turizam

The following activities stand out for the importance of business tourism: golf, tennis, adventure sports, restaurants touring, sightseeing, and excursions to the nearby places, wine routes and olive oil routes.

The offer of tourist supporting activities in all observed tourist centres is very similar, except in the case of an occasional specificity, but all of this depends on the imagination and creativity of the congress organizers. It is important to mention the tendency for the needs of business events in hotels to form special prices for such guests. Hotels often offer special packages with discounts for business tourists. Such offers, especially when it comes to small business companies, look very attractive, especially because every company wants to pay less. The quality of Istria's congress offer is also testified by the data that a Slovenian magazine and portal KONGRES made its top 10 chart of congress hotels from Slovenia to Montenegro, and among many of these hotels there were two located in Istria County, hotel LONE and hotel KEMPINSKI ADRIATIC. In order that the development of business tourism goes in the best direction and achieves better results, it is necessary to establish appropriate MICE departments within the hotel management. This is unfortunately still not a common practice in our hotels, but encouraged by the example of hotels Lone and Kempinski Adriatic, other hotels with appropriate congress offer should also realize this practice. For example, in hotel Lone business events are organized on several levels. The first level is within the Marketing and Sales Department, which takes place via various distribution channels, e.g. individual, B2B, allotment, group, luxury and MICE sales channel. Within the MICE sales channel, there are two expert associates that are responsible to the Marketing Director. The second level, regarding the business events organization, takes place in the Operations Department, which is divided into F&B, accommodation, activity management and EVENT TEAM. Thus there are three employees in the event team that are in charge of congress coordination, and the third level is formed in the way that each hotel within Maistra group has its event manager that also participates in the organization and coordination of congresses. Such organizational form meets the needs for the quality organization of business events. Qualitative and quantitative analysis of Istria as a business tourism destination has shown good results. Notwithstanding the foregoing, new investment projects should be carried out in the future, one should invest in education of personnel in the business tourism sector, expand the side offer and by all means increase the overall quality to a high level, in order to be worthy of lucrative guests, what business guests certainly are.

3. Conclusion

A progressive growth trend in the number of business events year after year in the Republic of Croatia requires the beginning of a more serious understanding of the business tourism phenomenon. To understand it more seriously, one must first devise channels that will statistically monitor revenues, costs and trends. When such monitoring system is incorporated in all facilities offering such contents, it will be possible to evaluate business tourism, both from the client's standpoint and from the standpoint of the facility's owner. By business tourism evaluation, a picture of the current state will be completed, but also the picture of the direction in which it should develop, so that the offer is closer to the user, i.e. tourist. It is inevitable that views and wishes of consumers, tourists, must be questioned constantly and without exceptions, given that only in that way it will be possible to recognize and provide a unique service and experience as business tourist require. Inclusion in the world trends and crossing the borders of Southeast Europe requires joining in the world business tourism organizations and associations. Hotel companies in Istria have already recognized the need for this, so for example Maistra has been a member of the world association ICCA since 2008. This and similar associations allow the representatives of individual congress facilities the insight in tenders published for the award of individual business events. It is important that individual facilities are included in the competitive race and are in that way forced to follow trends and improve their offer. In addition to statistical data monitoring and appropriate promotion of business tourism by means of various associations, it is also necessary to constantly improve the offer of supporting activities. Sometimes exactly supporting activities are the reason to choose a specific destination because these activities are more diverse, and the ability to host a specific business event is greater. In order to appropriately meet the requirements stated in this summary and the rest of the paper, it is necessary to entrust it to capable and ambitious personnel. Business tourism must become a part of university education of each employee in tourism, especially of the ones that will become specialists it this field. Due to the specificity of business tourism, one must enter its essence, and then develop further action on such foundations. Business tourism of Istria County certainly takes an upturn, but in order to keep and

develop such trend, much more effort needs to be invested, especially if one wants to keep pace with the trends in the world and the rest of Europe. Luxury character of this form of tourism requires excellence, starting from the destination's presentation itself to potential tourists, through their arrival at the destination and accommodation, to the excellence of congress capacities, equipment and experience. Only a unique experience can be a guarantee of a repeated tourist's arrival to a destination, either on business or a private package, which is often the case. Due to the time in which it actually takes place (spring, autumn), business tourism can also be a part of the solution for the year-round tourism of Istria, which has been aimed at for many years. Only a professional approach to business tourism and continuous innovation of the offer will lead to the desired results, and turn Istria into a recognizable congress (business) tourism destination. Despite the relatively satisfactory condition of the business tourism offer in Istria County, the need for a bigger, more specialized multifunctional congress centre is evident, with the capacity of at least 1,000 to the maximum of 3,000 seats, by means of which the County would access the world event associations market in the future as well as the major corporation event market. A centre like this would have to be designed as a multifunctional facility, which in addition to congresses must also support other specific functions (entertainment events, exhibitions, banquets). There is no doubt that business tourism, when it comes to Istria County, can significantly contribute to the strengthening of Istria's tourist destination image, as well as to the prolongation of the tourist season, but also to better use of hotel and other service offer. Therefore there is also the need for a defined policy of the business tourism development, as a set of measures (fiscal–financial character) by which barriers would be eliminated and conditions for development of this type of tourism created, as one of indispensable elements of the quality tourist offer development and change of its former, still prevailing, market image of a mass seasonal tourism region.

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(Endnotes)

1 The expression "meeting industry" is also used instead of business tourism.

2 Business tourism in all its main forms includes: business meetings, gatherings, conferences, congresses, exhibitions and incentive travels.

3 Eng. - business travel

4 Eng. - business tourism

5 Eng. - congress industry, conference industry, convention industry

6 Sample for the table was taken based on respondents from 85 tourist places.

Andreja Rudančić- Lugarić
Ivan Herak
Martina Herak

Kvantitativna i kvalitativna obilježja poslovnog turizma Istre i potencijalne mogućnosti njegova unaprjeđenja

Sažetak

U posljednjih nekoliko godina na međunarodnom turističkom tržištu sve više raste interes za novim segmentima turizma poput poslovnoga turizma. Ovaj dio turističkoga tržišta predstavlja izuzetno važan segment turističke ponude, naročito u kontekstu produžetka turističke sezone, povećanja stupnja atraktivnosti turističke destinacije i izvjesnih ekonomskih učinaka koji se postižu razvojem ovoga dijela turističkog atržišta. Specifični oblici turizma, poput poslovnoga, zahtijevaju specifične prostore, usluge, proizvode, jednom riječju specifičnu turističku destinaciju, stoga strategija pozicioniranja turističke destinacije za ovaj segment turizma mora poći od činjenice da je konkurencija jaka, a turističke potrebe vrlo heterogene. Poslovni se turizam u Istri razvija dolaskom velikih hotelskih korporacija, koje su svojom novom poslovnom filozofijom u Istru počele privlačiti segment poslovnih turista. Stoga, u posljednjih nekoliko godina, turizam Istarske županije evidentira sve veću orijentiranost prema segmentu poslovnoga turizma. Cilj je ovog rada ocijeniti, obuhvatiti, zaključno i sagledati, te približiti stupanj razvoja poslovnoga turizma u Istarskoj županiji kroz čimbenike kvantitativne i kvalitativne analize. Temeljem analize aktualne poslovno-turističke ponude, u radu se nastoji ukazati na nužnost kvalitativnog unaprjeđenja proizvoda poslovnog turizma, te iznijeti prijedloge, vizije i ciljeve sustava kojim bi se doprinijelo da se Istarska županija razvija kao destinacija poslovnoga turizma, na koji bi način zasigurno privukla veću potražnju, ostvarila dodatne financijske učinke i učvrstila svoj ugled na svjetskom turističkom tržištu poslovnih događaja.

Ključne riječi: specifični oblici turizma, poslovni turizam, kvantitativna i kvalitativna analiza sadašnjeg stanja, Istarska županija