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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.



Foreword

Czech hospitality and Tourism Paper is a peer-review journal that present actual papers that focus on the topic in the field of tourism and hospitality. The year 2020 was affected by the covid-19 pandemic and, unfortunately, HORECA sector was one of the most hit. Notwithstanding the pandemic situation and really hard year that awaits us, we are pleased that can present current research that will help from the practical as well theoretical point of view.

I would like to take this opportunity to thank all the authors and the entire editorial board for the work they have done in recent years. I look forward to working with all of you in the future.

Ing. Martin Petříček, Ph.D.
Editor-in-Chief

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**Karolina Macháčková¹, Jiří Zelený², Jonathan Osuoha³, Jan Hán²,
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COMPARISON OF INCIDENCE OF FAIRGROUND FOOD AND TRADITIONAL REGIONAL FOOD AT CZECH GASTRONOMY EVENTS: A FIELD STUDY

***Abstract:** This article deals with the culinary events, particularly with the frequency measures for various types of festival stands and festival foods categorized by their types. The main focus is on two opposite categories of stands, i.e., stands dominated by traditional regional food and stands dominated by fairground food. For both categories, frequencies of various dishes types were measured. The field research included 33 gastronomic events where the data were collected. After data processing, the results showed that traditional regional cuisine stands to be balanced in frequency with stands offering fairground dishes. While vegetable, fruit, and fish dishes are absent for both groups, the soups are more present for traditional regional cuisine. Confectionery and bakery products are more frequent for fairground cuisine. Sui generis category of food was the meat-based dishes, especially for the fairground category, with the highest variance in frequency. Due to the relatively low presence of foreign dishes, the traditional Czech culinary events could be considered patriotic. The Czech fairground dishes that can be classified as opposed to traditional regional Czech food are still an essential part of Czech culinary festivals. As the fairground dishes can be regarded as highly sensorially pronounced, the conclusion of this research proposes to find out if the sensory typicality of fairground food is a reason for the occurrence at Czech culinary festivals. This should be done especially from the culinary event participants' point of view.*

***Key words:** Central European cuisine, culinary culture, festival stands, sensory preferences, tastes of dishes*

***JEL Classification:** L66, L83, Z13*

Introduction

Gastronomy plays a crucial role in the tourism industry as tourists spend almost half of their budget on food (Hipwell, 2007). The term "Culinary tourism" was firstly formulated in 1998 (Hornig and Tsai, 2012a). There have been several studies focusing on food tourism, such as gastronomic tourism, wine tourism, and coffee tourism. Thus, food becomes an essential factor in destination marketing strategies (du Rand and Heath, 2006), and official

national tourism organizations in many countries consider national cuisine as a cultural attraction. Food and tourism integration strategies can enhance local economic development (Hall et al., 2004). The basis of gastronomic tourism is a traditional regional product and various gastronomic festivities and attractions that promote these products (Boniface and Cooper, 2005). In the Czech Republic, these are, for example, farmers' markets, city markets, Christmas markets, wine events (Prague Wine Week, Tábor Wine Festival, Mikulov gourmet festival), beer festivals (Czech Beer Festival, Pilsner fest), Raw fest, Gastrofestival Czech Specials, Prague Food Festival, Karlovský gastro festival (Kotíkova, Schwartzhoffova, 2008).

The popularity and growth of food-themed events have been well documented. For example, Hall and Sharples (2008) cataloged food and wine festivals around the world and provided cases and examples of events that cater to wine and food tourists. Cavicchi and Santini (2014) attempted to organize various aspects of food and wine events in Europe within a stakeholder framework. Festivals have attracted the most attention, and according to the 2011 Restaurant, Food and Beverage Market Research Handbook (Miller et al., 2011), there are more than 1000 food and wine festivals held annually across the United States. There is a variety of other food events, including markets, fairs, shows, congresses, and competitions. Smith et al. (2010) concluded that food, event novelty, and socialization are pushing motivation factors for attending a culinary event. These factors are internal and initiate a need by individuals to undertake a trip.

A particular way to enjoy gastronomy and support local tourism and economy are the festivals, feasts, and fairgrounds that have their origins in church festivities, religious traditions, and pilgrimages (Ohler, 2002). The phenomenon of pilgrimages occurs in almost all religions in the world. The believer, making the pilgrimage, had in mind the upliftment and purification of his soul (Jeřábek, 1961). The Greeks traveled to Delphi and Jews traveled to Jerusalem every year. Every adult Muslim is obliged to make a pilgrimage to Mecca at least once in his life. The greatest fame in the history of the Baroque pilgrimage was related to the re-Catholicization that took place in the 17th century (Kalista, 2001). Pilgrimage places were often located near human dwellings, where pilgrims had the opportunity to attend often than to the previously popular and famous "peregratio majores" (Jerusalem, Rome and Santiago de Compostela). Under the influence of Enlightenment ideas and the industrial revolution, pilgrimages lost their original meaning and became folk festivals without religious connections. Nowadays, these kinds of events are frequently motivated by complementary reasons -other than religion- such as culture, relationships, and entertainment (Vukonic 1996; Shackley 2001).

However, pilgrimages to holy places have strongly influenced gastronomy and hospitality. Along the roads leading to the sites of pilgrimage, inns and refreshment stalls grew. These became an integral part of the pilgrimage, a regular stop on the path to spiritual knowledge (Royt, 1992). The pilgrim could refresh himself with cakes filled with cottage cheese or

fruit, that differed in each village. Refreshment stalls and pubs have slowly become an ordinary matter. They also appeared in the target holy places (Eichler, 1888).

The culinary image of the Czech households in 1650 during the pilgrimage was characterized by the absence of potatoes that were not yet known, as well as sugar that was still rare and too expensive (sugar beet was not yet discovered). Nevertheless, the festive food was quite varied and tasty. However, it was significantly differentiated according to status and wealth, as the nobility made sure that the day of the pilgrimage was perceived not only as "holy days" but as a "holiday". The people got used to it very quickly. Greased barley porridge with mushrooms and roasted meat, rice soup, wheat, or rye pancakes were served, which were dipped in three types of sauces: spicy onion, currant, and cream with chopped chives. Roast pork, mutton, and duck were most often served as the meat. The sweets were dominated by strawberry porridge full of fruit and drizzled with honey, carrot cream with raisins and roasts, pretzels, and honey cakes (Černá, 2015).

Another type of food connected to the topic of this study can be categorized as fairground food. It can be considered as opposed to traditional Czech food. Current Czech fairground food includes some Czech as well as foreign examples: bryza gnocchi, sausages on beer, goulash, burgers, gyros, falafel, "Stramberk ears" - cone-shaped gingerbread cookies, spit cake "Trdlo", coconut logs, sweet wood, Turkish delight, cotton candy, batter, pretzels, cakes, gingerbread, hot dogs, ribs. It is obvious that fairground dishes can overlap with the foreign dishes' category.

Materials and Methods

The research aims to find out what is the incidence of traditional food and fairground foods at the Czech gastronomy events. In total, 33 gastronomic events throughout the Czech Republic were attended by a team of researchers. These visits took place from January 2019 to February 2020. The data was collected by using a specialized sheet for data collection. The number of visitors estimated by the organizer for each event was used for calculating two statistics. Initially, to count the mean number of visitors for one event (mean = 3000 visitors) and then to calculate the median number of visitors for one event (median = 1000 visitors). From the total 33 events, there were 7 beverage festivals, 11 traditional festivals; typical for a particular region, 9 festivals focused on one specific Czech food product (which varied according to a certain event), and other 6 events (including farmers' markets). Festivals for international cuisine were not visited.

For each event, the number of stands were recorded and divided into the following categories: stands connected with the topic of the event, stands offering traditional or regional food, stands offering fairground food (excluding foreign fairground food), and stands offering foreign food. The data for the number of dishes at each stand was collected

as well and divided into the following categories: meat-based food, vegetable food, fish food, soups, bakery & and confectionery food, and other food. For each dish, place of preparation was registered too, i.e., *in situ* or off the events. It is understandable that some categories may overlap because some of them have been counted more than once.

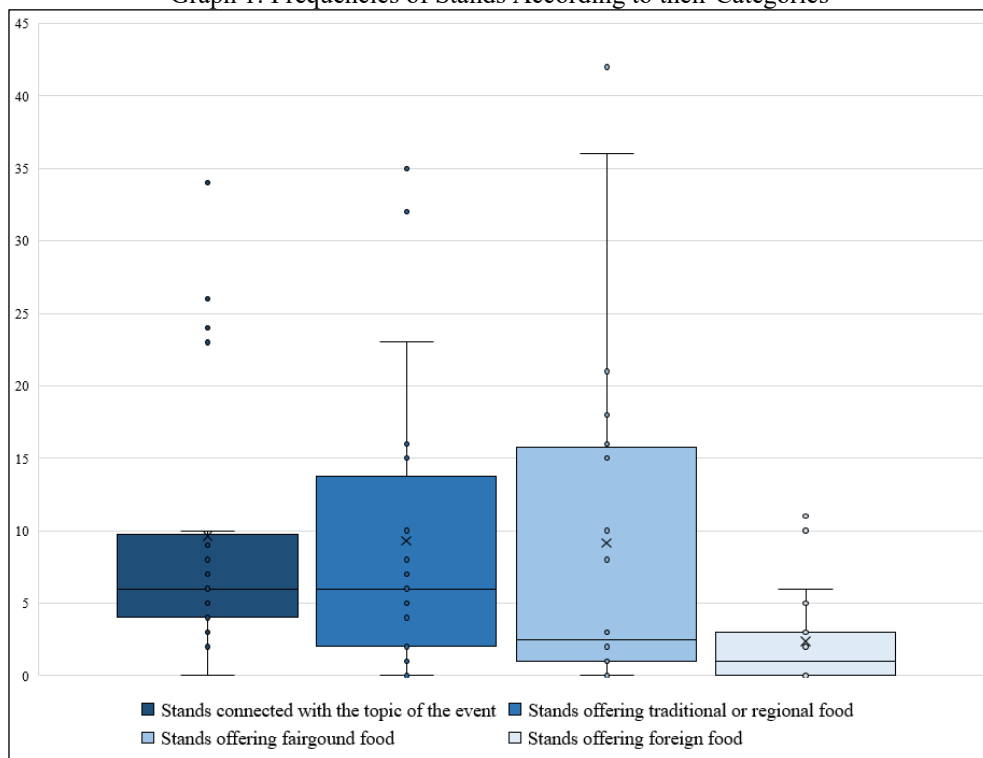
Since the frequencies of particular stands and food varied significantly for visited events, outliers in the frequencies of stands and food were eliminated with the Tukey method with a modified multiplier of IQR which was increased from 1.5 to 2.2. The structure of the data did not enable more detailed statistical grouping. The low number of observations did not enable statistical tests. Therefore, the results are presented as frequencies summarized for all 33 events through box-whisker plots with the visualization of minimum, first quartile, median, third quartile, maximum, and arithmetic mean. The graphs, dealing with stands, represent the frequencies of stands summarized for all events. The graphs, dealing with food, represents the frequencies of foods summarized for all events.

Results

On average, stands with the dominant offer for foreign dishes are the least frequent on Czech gastronomic events. More frequent are the stands which contain most dishes related to the theme of a gastronomic event. Regarding their frequency mean and frequency median, they are equal to the stands that offer traditional or regional cuisine. However, stands with traditional and regional cuisine demonstrate higher third quartile, higher maximum, and greater variance. This means that if there are stands with traditional or regional cuisine at the event, then the number of these stands varies considerably in number.

Nonetheless, the most significant fluctuation in the frequency of stands is recorded for those in which fairground dishes are dominant. Although they are on an equal average to the previous two categories, their median is much lower. The above-mentioned results can be summarized as follows: at the Czech gastronomic events, there are on average 10 stands with an offer that is focused on the event, 10 stands with traditional or regional cuisine, and 10 stands with fairground food. However, it is the stands with fairground meals that fluctuate the most in frequency at individual events - in large part of the events, they occur only in the number of about two stands, while in a noticeable part of events, they occur in the number of 15 stands. This fact is responsible for pulling up the mean of this category. The occurrence of stands with traditional and regional dishes is consistent at events and does not differ much in frequency within individual events. As mentioned above, most consistent are the stands with the offer that corresponds to the focus of the event - at individual festivals; they do not differ in number. (See Graph 1).

Graph 1: Frequencies of Stands According to their Categories



Source: own processing

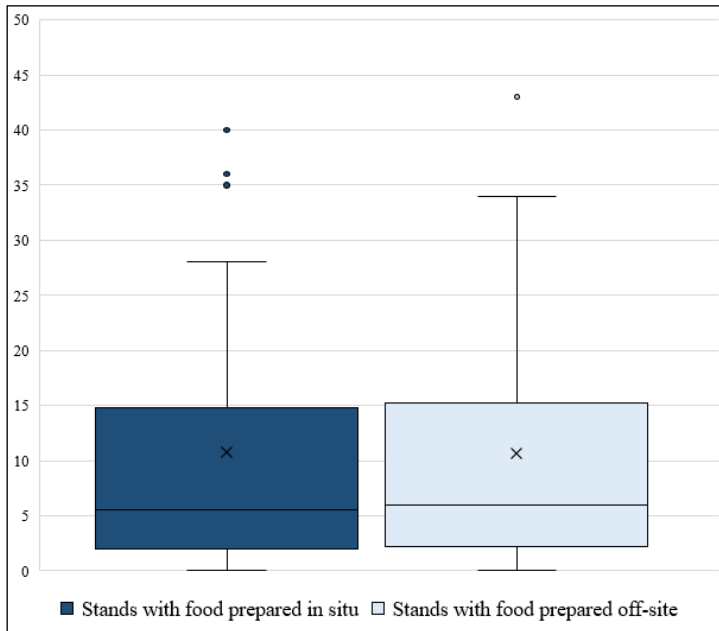
Note: the values represent minimum, first quartile, median, third quartile, maximum and mean (cross); outliers exceeding the modified multiplier of 2.2 are not included

The results show the method of production is entirely comparable. The median and mean are the same for meals produced *in situ* as well as for meals produced off-site. On average, there are approximately 10 stands on the market where food is prepared at the place of sale, and 10 stands where chefs prepare meals before arriving at the gastronomic festival. (See Graph 2).

A closer look at the frequency of traditional regional and regional foods shows that vegetable, fruit, and fish dishes reach only a minimal mean number at Czech gastronomic festivals. On average, significantly more frequent are meat-based traditional regional dishes (on average 1.5 such dishes at gastronomic festivals), traditional regional soups (on average 1.5 such dishes at gastronomic festivals), and bakery and confectionery products (on average 1.4 such dishes at gastronomic festivals). In half of the examined events, however, traditional meat-based dishes did not appear at all; on the contrary, in the remaining half, they appeared in a significant incidence in the number of 3.75 food types and also reached a

higher maximum. A larger interquartile range and a zero median value mark the extreme frequencies for traditional meat-based dishes at Czech gastronomic events, i.e., they do not occur at all at

Graph 2: Frequencies of Stands According to the Place of Preparation



Source: own processing

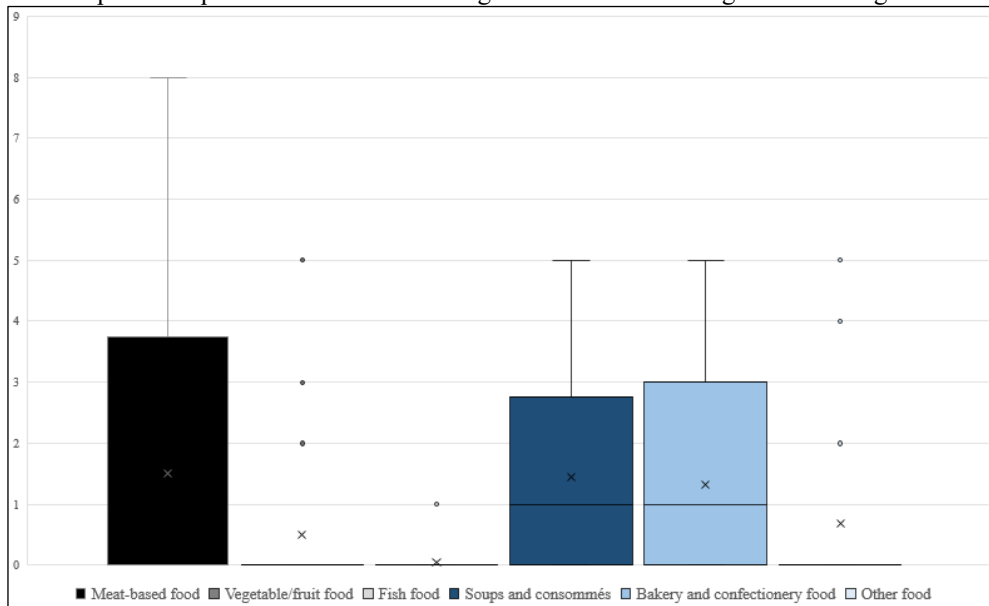
Note: the values represent minimum, first quartile, median, third quartile, maximum and mean (cross); outliers exceeding the modified multiplier of 2.2 are not included

some events or on the contrary they are very highly numerous in comparison with other traditional regional dishes. In contrast, traditional soups and traditional bakery and confectionery dishes are more consistent in number. In the half of gastronomic festivals, there is at least one traditional soup and one traditional vegetable/fruit dish. In the other half of the events, these dishes consistently exceed at least one type of food. As will be mentioned below, the number of traditional regional dishes at Czech events can be assessed as relatively low - compared to fairground dishes. In particular, the absence of traditional vegetable/fruit dishes as well as traditional fish dishes is striking. (See Graph 3). For an example of traditional regional food on Czech event, see Picture 1 and Picture 2 in appendices.

A closer look at the fairground dishes shows a major difference in incidence compared to the traditional regional dishes. As with traditional regional dishes, fairground vegetable/fruit dishes and fairground fish dishes have very low incidences. However, the main advantage of traditional regional festivals is the occurrence of soups and broths.

Although traditional regional soups are represented only in small numbers, they still outnumber the fairground soups by far, which are essentially absent at Czech culinary events. In contrast, bakery and confectionery fairground dishes are more frequent (on average 2.5 meals per event) than the traditional regional bakery and confectionery products (on average 1.4 meals per event).

Graph 3: Frequencies of Traditional/Regional Foods According to their Categories



Source: own processing

Note: the values represent minimum, first quartile, median, third quartile, maximum and mean (cross); outliers exceeding the modified multiplier of 2.2 are not included

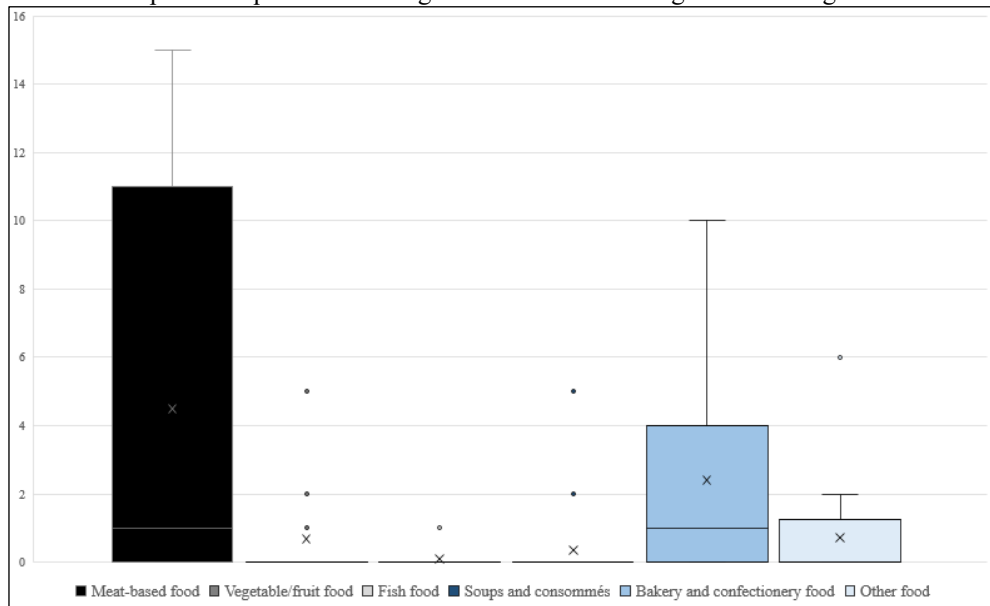
For the meat-based fairground dishes, the occurrence is even extreme compared to traditional regional meat-based dishes. Fairground meat-based dishes occur in 4.5 food types on average. Nonetheless, as with the traditional regional meat-based foods, fairground meat-based dishes are represented in half of the events only in one type. Surprisingly, for the second half of the events, they can reach up to a relatively high number of types, i.e., 11 different foods for 25 % of the events. For an example of fairground food on Czech event, see Picture 3 in appendices.

Discussion & Conclusion

The preparation of meals *in situ* and off-site (outside the point of sale) is completely balanced. What can be described as a positive is that there are not many stands with a predominantly foreign offer at typical Czech events, where one can expect Czech foods.

Czech events can still be described as relatively patriotic. The occurrence of stands with an offer predominantly focused on the event's topic, a traditional regional offer, and a fairground offer is balanced (10 stands per event on average for each). The stands with the offer connected with the focus of the event are relatively consistent in frequencies. Nonetheless, the stands with the traditional regional offer differ in frequencies depending on a particular event. The most extreme is the stands with fairground offerings, which vary greatly for different events in numbers.

Graph 4: Frequencies of Fairground Foods According to their Categories



Source: own processing

Note: the values represent minimum, first quartile, median, third quartile, maximum and mean (cross); outliers exceeding the modified multiplier of 2.2 are not included

Despite the relatively high number of stands, there are not always many different types of food on these stalls - the menu is rather limited and is repeated on individual stands. This corresponds to a more detailed look at the frequencies of individual traditional regional foods and fairground foods. For both categories, vegetable/fruit dishes are nearly absent, so are the fish dishes. Traditional regional soups are more common at researched events, whereas fairground confectionery and bakery products are slightly more common. *Sui generis* is the meat-based dish that achieves the greatest variance in frequency, both for traditional regional and fairground dishes. In some events, they are either not represented at all or are relatively often available, i.e., 3.5 types of such traditional regional meat-based dishes for one event. This is especially obvious for fairground dishes. It is no exception if there are up to 11 such meat-based dishes at one event. Meat-based foods, including

traditional regional and fairground dishes are, negligible in some events, while in others, they are dominant compared to other offered dishes.

Over time, food began to represent more than a physical requirement, it became culturally embedded, and "holy days" became enjoyed as "holidays" (Boniface, 2003). Events that are themed with food and beverages have become top-rated attractions around the world (Hall & Sharples, 2008). Based on the literature search, it can be concluded that thicker soups characterize the Czech national cuisine, many types of sauces with stewed meat, often with cream, and roasted meat, cakes, pastries, game meat, mushrooms (Klánová, Pavera, 2012). Especially the inclusion of thicker soups within the Czech national cuisine corresponds with the higher incidence of soups during Czech culinary festivals.

Contemporaneously, the fairground foods consisting of meals offered at festivals, fairgrounds, and folk feasts are predominantly sweet, salt, and fat, greasy. Such dishes have a distinctive taste: consumers have sweets associated with home, well-being, security, sweets evoke pleasant feelings, as sugar increases the level of dopamine (Velíšek, 2002; Grofová, 2007). Animal fats have a delicate velvety taste that is pleasant to humans, fats saturate, and soothe (Fiala, 1999). The salty taste is pronounced and salt in the body acts as an antidepressant (Dlouhý, 2007). Especially the highly frequent presence of sweet or salty fairground confectionery and bakery products corresponds to the basic description of dominating taste in fairground dishes.

Therefore, the relatively balanced incidence of traditional and fairground stands could be explained by human physiology and needs. If the consumer has the opportunity, he/she will deviate from the (dietary) regime we have set ourselves (Fraňková, Dvořáková-Janů, 2003). Therefore, the taste-driven natural preferences of visitors could be one of the possible explanations of the relatively high incidence of fairground stands and fairground foods; nonetheless, this hypothesis needs to be examined in the future. Based on the conclusion, following-up research could include research on the visitors' attitudes to find out about their needs. Subsequently, demand and supply can be compared. Based on this research, it would be possible to provide recommendations for sellers at gastronomic festivals.

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Appendices

Picture 1: An example of traditional regional sweet food at Czech culinary events; sweet pies "Frgále" (pies of Slovácko region)



Source: own photograph

Picture 2: The examples of traditional regional food at Czech culinary events. From left to right - "bramboračka" (potato soup), "utopenci" (pickled sausages), "dršťková pomazánka" (tripe spread), "tvarohová pomazánka" (curd cheese spread), "plněné knedlíky uzeným masem a zelí" (filled dumplings with smoked meat and sauerkraut), and "šišky s mákem" (sweet potato dumplings with poppy seeds)



Source: own photograph

Picture 3: The examples of fairground food at Czech culinary events. "Klobása" (bratwurst), and randomly shaped grilled cheeses



Source: own photograph

Petr Frischman

THE HOSPITALITY AND TRAVEL BUSINESS UNDER THE THREAT OF CLASS ACTION: THE CZECH PERSPECTIVE

***Abstract:** The goal of this article is to investigate potential future effects of both the upcoming EU and the Czech national compensatory litigation legislation in the hospitality and travel business implementing new instruments of collective and representative compensatory litigation models of consumers' protection. The assessment of vulnerability of the business sector and the analysis of the rational apathy factor in small claims in present text is utilized for the identification of new emerging risks especially in small claims aggregate litigation. The risk analysis is provided with regard to the introduction of collective compensatory proceedings implementing the opt-out model in combination with the liberal approach to the external litigation financing. Utilizing the foreign and historical experience the present text provides for the assessments of the potential risks for the hospitality and travel business with special regard to vulnerability to aggregate small claims opt-out litigation in the sector of services.*

***Key words:** consumer protection, representative claim, NGO, class action, damage, opt-out*
***JEL Classification:** K12, K41, Z30*

Introduction

The global hospitality and travel industry is currently suffering the major economic shock due to the Covid-19 pandemic restrictions. The actual overall scope of this phenomenon cannot be examined in its complexity in present time due to the still ongoing long-lasting devastation the final extent of which is hard to predict. The pandemic situation resulted not only in significant economic losses for hospitality and travel business service providers but at the same time for frequent losses for the consumers of this sector. Most notably the package tours, hotels and flight cancellations, ski passes validity cases, cruise health damages, amusement parks, health and sport resorts membership restrictions, spa procedures refund, school trips cancellations and many other damage compensation claims were initiated in this respect (ATWOOD 2020). The present situation shows that the current crisis is globally resulting in the increase of the overall quantity of both the individual compensatory damage litigations and the class actions. The considerations concerning the optimal functioning of the class actions, collective, representative and other types of aggregate damage litigation instruments are under such circumstances becoming even more relevant than ever before in the hospitality and travel business.

The global increase in the customers' damage litigation in cases of e.g. air travel, travel insurance, cruises and similar, is followed by the simultaneous protective reaction of overseas service providers. The rise of class action waivers implementation into the contracts is widely used in order to shield the service providers mainly in US and other countries of Anglo-Saxon common law culture. By the use of contractual waivers both the compensatory class action litigation and the class arbitration are being restricted. As the following text demonstrates this limitation, however, is not available in the European context, where the use of the litigation waivers is restricted.

From the general perspective the volume and the character of the compensatory damage litigation is depending on many factors out of which the available litigation legislative instruments are of the main relevance. The individual forms and functioning of the specific both the national and cross border legal instruments of the compensatory redress are of the main importance in this context.

The litigation culture is largely dependent on the historical tradition. The difference between the US and European litigation culture can be manifested by the evolution of the class action. This article is due to its limited extent not explicitly dealing with the detailed analysis of historical roots of this difference. The historical experience and overseas experience, however, must be exploited in proper understanding of the different litigation models with the special regard to the new legislative activities. The main goal of the present text is to assess the emerging business risks for the hospitality and travel business in the light of expected significant alteration of the litigation culture caused by the forthcoming implementation of the new EU and the Czech compensatory collective legal redress legislations. Although the EU legislation approach is conservative providing predominantly for the representation actions organized by NGOs, the forthcoming Czech national legislation is going far beyond that, opening the doors to the collective opt-out consumer claims led by individual subjects.

The practical impact of the implementation of instruments of collective litigation on the hospitality and travel business is related to the significant modification of the key parameter of rational apathy of consumers. The rational apathy factor in individual claims represents the key factor for elimination of substantial volume of the minor customers' claims while in aggregate litigations this factor is reduced. In addition to that, the implementation of the opt-out model in small cases is exponentially enhancing the risks of collective action by reducing the rational apathy factor to bare minimum. The parameters of rational apathy factor filtering the frivolous claims may, on the other hand, deprive the large number of customers of their effective access to the compensatory litigation. The desirable equilibrium is not easy to determine. The foreign experience has to be exploited especially in the process of the adoption of the new legislative framework being currently drafted in the EU and the Czech Republic.

The hospitality and travel business is characterized by specific vulnerability in relation to the collective compensatory litigation especially in aggregate small claims. The reasons and the appropriate evaluation of this factor is being examined by the present article with the specific relation to the ongoing legislative discussions and hesitations concerning the implementation of the opt-out model, collective form of aggregate litigation and litigation finance aspects of the future legislative framework.

In the light of above the forthcoming legislation activities concerning the implementation of the European model of class action are of the main importance. The potential impact of new rules and instruments of collective compensatory litigation will provide for the powerful tool for the customers but importantly also in some aspect open the door to potential abuse of the system by various subjects. Even if there is no intention at all in EU consumer protection strategy for implementation of aggressive US-style class action, the rise in the overall compensatory legal redress claims must be reasonably expected for the reasons examined in present article. Bringing the new risks for service providers the implementation of the EU style class action have the potential to significantly affect the paradigm of the hospitality and travel business and to modify the economic parameters of the whole sector. As the present article demonstrates, the appropriate business reaction to the emerging challenges and business risks related to the altered legislative framework would be vital for the hospitality and travel service providers.

Materials and Methods

The EU Collective Redress Directive Proposal

The consumer protection in the hotel and hospitality business is an important component of the long-term strategy of EU consumer protection policy. In June 2020 the EU Collective Redress Directive proposal (hereinafter “CRD”) was finalized following the leading principles of the “New Deal for Consumers” EU policy (EC 2020). The CRD legislative proposal reflects the fact that the majority of EU Member States already adopted on national level some kind of compensatory representative or collective action instruments in the past. Not only for this reason the main philosophy of CRD is to provide only for minimum standards of consumer protection in relation to the access to compensatory collective litigation with the special focus on cross border litigation. (European Parliament 2020).

The CRD proposal is aimed to significantly increase the options available for EU citizens, particularly where a class of consumers will cross EU borders and to provide consumer protection methods analogical to US class action without the negative features of it demonstrated mainly by possibility of opt-out litigation governed by third party funders or the liberal approach enabling individuals to act as representatives of the consumers groups.

Instead of this the CRD is providing for the instrument of representative litigation emphasizing the role of consumer protection NGOs or specialized governmental institutions.

The minimum standards set by CRD are not in principal conflict with existing different EU Member States legislations which provide in many respects for more extensive scope and diversity of litigation instruments in comparison to CRD. The existing national legislations of the individual EU Member States diverge from CRD principally by

- the enlarged applicability to the other sectors than consumers' protection such as e.g. labor law, securities, B2B disputes etc.
- the simultaneous implementation of individually organized collective instruments of redress
- the wider implementation of the opt-out litigation model

The Czech Act on Collective Proceedings Proposal

The Czech Republic did not adopt the collective compensatory legislation so far. The legislative activities on this field, however, resulted in the final draft of the Act on Collective Proceedings (hereinafter "ACP"), which in the most recent version includes also the implementation of the opt-out system for small claims and both the representative and collective forms of litigation (Ministry of Justice 2020). As the comparison shows, the Czech concept is going far beyond the EU required minimum standards embodied in CRD proposal. The present text is assessing the potential risks of this liberal approach to the collective litigation from the perspective of hospitality and travel service providers especially in the light of the potential mass collective opt-out proceedings in small cases, which represent significant risks for the hospitality and travel business especially in combination with the external litigation finance.

The main goal of this article is to analyze the potential impact of the new legislation proposals introducing the instruments of representative compensatory redress on the EU and national levels and to determine the specific impact of its practical implementation in the hospitality and travel business including the new emerging risk factors. At the same time this text provides for practical observations concerning the potential abuse of upcoming collective litigation instruments mainly by investor groups, frivolous claims and economic competitors.

Exploiting the static and dynamic analysis of the legislative framework of compensatory collective litigation models the present article utilizes methods of analysis of normative texts and leading decisions together with legislative proposals in the process of implementation of new procedural rules. In evaluation of the current legislative initiatives, the comparative method is used with respect to normative harmonization within the

European Union together with the historical comparative method. Recent history of developments in aggregate litigation models both in the USA and EU Member States is considered to be of main importance for assessments concerning the current Czech legislative activity.

Practical observations and recommendations are based on author's practical international litigation experience in the hospitality and travel business.

Results

The hospitality and travel business in the Czech Republic will be soon facing new challenges under the upcoming new rules of collective litigation. The new instruments of legal redress have a potential to multiply the risks of the business and significantly alter the whole dispute resolution culture in the segment. The new level of consumer protection is introducing the new desirable level of consumers' protection but at the same time is opening the *Pandora box* of the potential abuse of the system by the frivolous cases (ARBEL and SHAPIRA 2020), blackmail practices, new aggressive strategies of economic competition (FITZPATRICK 2009). The new business risks arising from the potentially abusive collective litigation instruments can significantly affect the economic situation of the business. As foreign experience shows, the risks of future litigation costs frequently results in the need of additional financial reserves, new insurance policies or external financial assistance. The implementation of the collective litigation instruments has consequently a potential to negatively affect the price level of hospitality and travel services.

Vulnerability of the Hospitality and Travel Business

The specific vulnerability of the hospitality and travel business is conditioned by factors of different nature. Some of these factors are based on the form of the service business, where the protection of the consumer is implementing different approaches and methods in comparison with the sector of the sale of the goods. The other category of factors is based on the specifics of the hotel and hospitality services characterized mainly by the aspects of vulnerability to the potential aggregate customers' litigation embodied mostly in:

- extremely high sensitivity to *Vis Major/Act of Gods* factors represented by the general risks of such elements as the weather conditions, natural catastrophes, calamity disasters or most lately the epidemiological situation.
- sensitivity to factors of human origin, such as political upheavals, international sanctions, alterations of visa policy, new environmental legislation and similar.
- the global character of services resulting in the high level of complex interdependence characterized by the role of service subcontractors and the cross-border contractual obligations

- the international character of business resulting to services operations in variable national jurisdictions
- the global character of business potentially supporting the transfer of aggregate litigation culture
- the potential of the large amount of moderate value claims, rational apathy factor of which constitutes the accelerating element for the aggregate litigation

The assessments of the risks of the collective compensatory litigation in the hospitality and travel business, however, depend primarily on the parameters of the respective legislative framework. In analysis of particular procedural legislation the combination of following key parameters should be primarily observed: the use of the representative or collective litigation procedures; the implementation of the opt-out or opt-in model, the regulation of litigation finance and the applicability of contractual waivers.

Representative and Collective Litigation

Although the EU approach to the collective redress is inspired by the Anglo-Saxon tradition, the European concept is partly based on the different paradigm. This can be demonstrated e.g. by the terminology of legislation, where the legal term “*Class Action*” is avoided in the whole EU respective legislation including the final version of CRD proposal. This issue does not illustrate the sole terminological aspect only. It reflects the whole principal difference of paradigm (NAGY 2020), where the EU consumer protection legislation is primarily focused on representative compensatory actions granting the right to launch the proceedings exclusively to *qualified entities* represented typically by specialized consumer protection organizations in the form of NGOs or special state institutions. The representative action model deprives both the harmed consumers and third parties (typically financing commercial subjects, law offices and similar) of the right to individually initiate the collective action. In the collective action system, on the other hand, individual customers, organized groups of customers, legal offices or litigation investors will be able to initiate the compensatory collective litigation. In the proposed Czech legislation such private subjects will play more equal role with the NGOs in the implemented collective proceedings.

The implementation of the collective compensatory litigation instrument will, however, result in the increase of business risks for the hospitality and travel business in comparison with the EU and some other EU Member States legislations based entirely on the representative system. The role of the NGOs in such systems is primarily to support the institutionalized protection of consumers but it is importantly also filtering the abusive claims such as frivolous or blackmail litigation attempts (ARGENTI and SAGHABALYAN 2017).

Rational Apathy Aspects in the Opt-out Claims of Small Value

The efficiency of the tools of private enforcement of consumers' rights is determined by different factors. In order to initiate the legal proceedings, every plaintiff has to overcome certain hesitations, fear of failure and other critical aspects. The risks and difficulties for launching the legal claim are potentially of both rational and irrational nature. These factors in aggregate constitute the factor of *rational apathy* affecting the consumers' behavior. The most decisive factors involved are the perceptions of estimated costs of proceedings, time burden, information asymmetry or simple tendency to passivity.

The chances of overcoming the rational apathy are increasing in relation to the value of the claim in the light of potential gains (PICHÉ 2009). The small individual claims are filtered by the rational apathy factor quite commonly. For the small claims therefore the instrument of collective legal action represents the instrument mitigating the rational apathy aspects mostly by limiting the economic risks involved and by removing the information asymmetry due to the involvement of litigation professionals and improved communication strategy.

The value of individual damage claims in the travel and hospitality business is frequently lower than in such sectors as finance, insurance, or car industry. Despite the fact that the lower value of the claims protects the travel and hospitality business against the potential frivolous or blackmailing consumers' litigation in individual cases, the collective litigation instruments will significantly eliminate this filter. The new risks of the travel and hospitality business are therefore not characterized by the shift from the individual claims to the collective actions. By the elimination of the rational apathy filter an aggregate increase of litigation in small claims in hospitality and travel business has to be expected. As especially US experience shows, the alternative to the class action in small claims cases is not the large amount of individual claims, but no claims at all.

Risks of the Opt-out Model

The opt-out litigation model is based on the action brought by one or more persons on behalf of generally defined group of similarly situated customers. This model is involving participation of all such customers defined only by the commonality principle without their individual identification. The most cases of the group definition in the hospitality and travel business can be explained at the examples of e.g. the costumers harmed by the identical subject during the identical time period or identical event, such as e.g. air travel or package tour cancellations, passengers' Covid 19 contracting during the cruise or ski pas shortened validity due to the health restrictions in ski resort. All subjects harmed by the common factor will automatically constitute the group without the need for formal application process. For the opt-out from the group constituted on this basis the individual motion is required.

The effects of the opt-out model are resulting in potential large extend mass litigation. Implementation of the opt-out system is raising numerous questions concerning mainly the information asymmetry and a real chance of an individual consumer to effectively decide on the voluntary participation in aggregate litigation. The logistics of the opt-out representative or collective litigation often involve the mass media, social networks and specialized law firms in the role of the organizers. All the above is specifically shaping this dispute resolution process by involving also the media, communication and other experts exploiting the multidisciplinary approach (KLONOFF and HERRMANN and HARRISON 2008). The costs of proceedings are subsequently reflecting the scope and the nature of this litigation method. For these reasons any new introduction of an opt-out litigation instrument has to be carefully assessed with special regard to safeguarding legislative measures avoiding the abuse of the system to the detriment of the service providers.

Despite the fact that the European ADR legislation proposal provides for optional opt-out mechanisms only, the Czech ACP legislation proposal implements this mechanism for small cases restricted by the claim limits of approx. €120 (CZK 3,000). This relatively low threshold, however, is opening the door for future large scale potential of opt-out litigations in hospitality and travel business in cases such as cancellation fees, local taxes, air surcharges, package tours or hotel quality of service complaints.

The Big Risks of the Small Claims

A specific and characteristic group of claims in hospitality and travel business is represented by the variety of small claims. Aggregation of such claims can potentially result in the gains of the service providers taking advantage of the high rational apathy level providing for deterrence effect. The litigation in individual small claims in such cases is not likely and the overall gains for the provider can be significant in cases such as cancellations of trips or flights delays. Service providers are therefore potentially tempted to rely on the rational apathy deterrence effect and utilize it to the detriment of the customers.

This effect is significant especially in the situation in which no effective dispute resolution mechanisms are provided such as arbitration, mediation or negotiated settlements, involving the specialized consumer protection bodies in the form of NGOs or specialized governmental institutions. Methods of direct or represented negotiations or mediation can be used not only as an alternative to litigation but importantly also in parallel proceedings. As foreign experience shows the combination of the institutionalized court proceedings and the alternative methods of dispute resolution can be of significant efficiency (CARLTON FIELDS, 2019).

Alternative methods of dispute resolution can be of vital importance especially in the litigation culture where the parties of the dispute are not forced to communicate and share the information concerning the basis of their claims, including the available evidence, prior to the potential future litigation. The lack of such *discovery and disclosure* duty, characteristic for the US and other common law jurisdictions, is frequently distorting the communication of disputed parties and largely eliminating the rational pragmatic approach of the dispute resolution. Aggregation of claims always results in the potential harm of corporation's reputation even in the case of small claims (PARELLA 2019; SWJACA 2018). This phenomenon is even more risky in the perspective of emerging lucrative litigation investment business.

Litigation Waivers

The protective reaction to the mass utilization of class action instruments in the USA is represented by the frequent use of contractual waivers (LAW INSIDER 2020; HYLTON 2015). In the global environment and especially in the US the current pandemic situation accelerated the use of contractual clauses explicitly eliminating the risks of collective redress instruments in the hospitality and travel business (NYT 2020). The use of waivers in consumer contracts is currently typical for the travel and hospitality business, such as cruises (BLOOMBERG 2020), spa, hotel accommodation or ski resorts. At the same time the use of waivers of collective litigation or arbitration instruments in other types of contracts areas such as the labor contract including specific leading cases in hotel management (WROTEN 2018) can be currently witnessed.

This increasingly important shield against collective litigation and arbitration, however, is not generally available in EU jurisdictions following the Unfair Terms in Consumer Contract Directive restricting the provisions of the consumers contracts, which are excluding or hindering the consumer's right to take legal action or exercise any other legal remedy (THE COUNCIL OF THE EC 1993). The prohibition of the waivers of collective redress instruments will apply with regard to the character of the contracts in hospitality and travel services falling predominantly into the category of *consumers contracts*. The consumer contracts are defined as the contracts concluded between entrepreneurs and final customers.

On the national level the consumers contracts are subject to special regulation involving the ban on the litigation waivers by provision of section 1814/j of the Czech Civil Code restricting any contractual clauses which “*exclude or hinder the consumer's right to file an application or use other procedural remedy, or oblige the consumer to assert his right exclusively before an arbitration court or an arbitrator who is not bound by the legal regulations on the protection of consumers*”(CIVIL CODE 2012). Based on the above, the collective and representative actions waivers will not be applicable in the Czech Republic.

External Litigation Finance

The external financing of the claims in the hospitality and travel business is not characteristic in individual cases especially in the European context. The potential of the collective claims, however, represents a significant impulse for investors. The implementation of the new legislative framework providing for the aggregate litigation instruments will inevitably generate potential for the whole sector of new financial services and investment represented primarily by banks, funds, insurance institutions and other private subjects.

The third party's financial assistance in collective and representative proceedings is significantly supporting the plaintiff's ability to initiate and effectively run the proceedings. The external funding may especially support involvement of legal and other experts, promote necessary media coverage (HOEFGES and LANCASTER 2000) and make the complex collective proceedings feasible. The availability of external finance, at the same time, is leading to the increase of the overall amount of litigation especially by limiting the financial risks of individual consumers. The limitation of financial risks is affecting the key element of rational apathy filter. Despite the professional and detailed analyses and assessments of cases by financial investors, the total volume of litigation increase can be evidenced in comparison with the cases financed by the individual consumers. The impact of the external finance to the litigation culture is not limited to the question concerning the increase of the cases. The litigation investors are mostly playing the role of the real procedural decision-makers instead of parties themselves (HILL 2015; HENSLER 2014). The most significant influence is the right of the financing third party to determine the legal representation of the plaintiffs including the right to alter this representation during the course of proceedings; the right to unconditionally approve the final settlements; the right to issue binding instruction to the legal representatives of the plaintiffs; the right to require the reporting from the legal representatives of the plaintiffs; the right to temporarily or completely withdraw the financing of the action in the case of the non-fulfillment of the investor's instruction and the right to withdraw from the proceedings in the case of the unexpected development resulting into financial loss.

In the upcoming Czech aggregate litigation model the role of lawyers is essential. The ACP legislation proposal provides for the future compulsory legal representation of all plaintiffs including NGOs. For this reason not only the external finance agreements, but also the remuneration agreements between plaintiffs and the attorneys also have a large potential to shape the whole process (KLEMENT and NEEMAN 2004). The lawyers' success fee is limited by the ACP legislation proposal in line with the already existing regulations to a maximum of 25% of the .

Both the external financing and the legal representation will be subject to detailed court review in each particular case in order to filter the conflicts of interests, activities to the

detriment of customers and other attempts of abuse of the collective or representative litigation instruments. At the same time the above factors are clearly indicating that especially the opt-out litigation model has a tremendous potential for a new lucrative litigation investment.

Discussion

Both the EU and Czech aggregate compensatory litigation legislations are currently entering the final stage of legislative process. The proper timing of the new Czech ACP legislation is currently essential. The ongoing economic crisis of the hospitality and travel business amid the Covid 19 epidemic not only brings rational new fears of the additional risks for the whole sector, but importantly also emotionally distorts the public opinion and the legislative debates. Especially the upcoming parliamentary debates are potentially involving the increasing risks of populist and merely politically motivated elements resulting into non-conceptual alterations to the existing draft. The final results of the legislation process are hard to predict even under the more stable economic and political situation. The initiation of the parliamentary debates during the politically and economically unstable situation of present time is hazardous.

In the light of the above especially the potential withdrawal of the ACP legislative proposal by the government and the new legislative debate providing for the adequate assessments of the key parameters of the proposal in the light of the new reality, seems to be the adequate reaction to the recently altered economic environment not only in the hospitality and travel business. The elements of the ACP proposal, going far beyond the required EU minimum standards, can be reexamined in upcoming discussions. Especially the implementation of collective litigation in combination with the opt-out model can be reassessed.

Conclusion

The sector of hospitality and travel business in the Czech Republic is facing new challenges and business risks in the light of upcoming new rules of collective litigation. The inherent risks arising from the collective litigation, however, are currently multiplied by extreme vulnerability of the sector during the ongoing economic recession caused by the global pandemic situation.

The current Czech legislation initiative is not limited to the mere implementation of principles of the simultaneous EU legislation activity, but it introduces the ambitious project going far beyond the minimum required EU standards especially by implementing the collective model of litigation in contrast to the European model based primarily on the role of the consumers' protection organizations. Upcoming Czech legislation represents

a fairly liberal approach especially in combining the system of individually organized collective proceedings and opt-out model with the large potentials for external litigation finance. The above combination of parameters has a significant potential for increase of the business risks especially in the segment of aggregate small claims in the vulnerable sector of hospitality and travel. The risks of the costs of proceedings or collective settlements, high reputation risks and the threats of the confidential business information leaks have to be reasonably expected based on the foreign experience. Despite the fact that the specifics of the continental legal system will filter the most devastating forms of abuse of the US Class Action system, the negative aspects of the frivolous claims, blackmail or the aggressive competitive litigation practices cannot be fully eliminated.

Seen from the perspective of the hospitality and travel business it is advisable for the service providers to get acquainted with the new challenges in order to adopt the appropriate effective measures, such as the implementation of the new legal culture of service contracts, modified pricing strategies, formation of financial reserves, new PR strategy, insurance policies, external financial assistance and involvement of specialized legal services. The hospitality and travel business has also to adapt to the new role of media involvement including the internet social networks and utilization of modern technologies affecting the new conflict resolution culture and at the same time altering the vulnerable and highly competitive hospitality and travel business landscape.

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EVENT TOURISM AS A STRATEGY FOR OVERCOMING SEASONALITY IN TOURISM IN LATVIA

***Abstract:** Even though tourism in Latvia is considered as one of the priority industries and important source of export income, it is characterized by a strongly marked seasonality. The main tourist flow falls one summer months with a peak of visitation in July. To extend the tourist season those tourism types should be used, which are at least subject to seasonality. One of such tourism types is event tourism. The authors suggest event tourism as one of the possible solutions to minimize the phenomenon of seasonality in tourism in Latvia.*

***Key words:** event tourism, seasonality, tourism in Latvia*

***JEL classification:** L83*

Introduction

According to United Nations World Tourism Organisation (2020) data in 2019 international tourist arrivals reached 1.5 billion (+4% comparing to 2018). However, 2019 was slower in growth compared to the two previous years, particularly in Europe. This was followed up by overall situation with Brexit, bankruptcy of Thomas Cook, as well as of several low-cost airlines in Europe. Nevertheless, all regions showed increase in arrivals. And even, Europe, despite several factors, keeps on showing positive figures (+3.7% in 2019). International tourist arrivals in Central and Eastern Europe grew by 4% in 2019, i.e. 742 million international arrivals, that makes up 51% of total arrivals in the world.

2019 was another year of strong growth, although slower compared to the exceptional rates of 2017 (+7%) and 2018 (+6%). Demand was slower mainly in advanced economies and particularly in Europe.

Tourism industry in Latvia is growing steadily. According to Central Statistical Bureau of Latvia, the highest number of travellers in Latvia has been reached in 2019, i.e. 8.3 million tourists have crossed the Latvian boarder. This is 7.3% more than in 2018. Hereby, tourist's expenditures grew by 7.2% and reached 806 million EUR (Central Statistical Bureau of Latvia, 2020).

However, being economically important, tourism industry is subject to many factors that influence its development. One of them is seasonality. Seasonality has become one of the most distinctive and determinative features of global tourism industry, as well as of Latvian tourism industry in general. The most considerable aspect of seasonality is that it lies in the fact that it assumes the concentration of tourist flows in relatively short periods of the year.

(Corluka, 2014). Latvia has a strongly marked seasonality as, according to the statistical data, the peak visitation of foreign visitors falls on July (Table 1.). Seasonality is one of the most striking and emphatic characteristics of tourism. An understanding of seasonality is important for tourism businesses and whole tourism structure (Corluka, 2019).

Materials and Methods

The goal of the following paper is to analyse event tourism as one of possible strategies for overcoming tourism seasonality in Latvia. The authors have used two of the research techniques, that are – qualitative and quantitative. For qualitative research method, the authors have used secondary data - the in-depth evaluation of previous papers. For the quantitative data collection method, the authors have used statistics. However, from the author's point of view, statistical data is not complete, especially when considering the total number of nights spent in tourist accommodation facilities. Statistical data doesn't show the correct number of total numbers of foreign visitors in Latvia, because there are specific group of tourists that are not considered, for example, business travellers, who usually use corporate accommodation, but still are considered as foreign visitors. Here, we should consider the total number of foreign visitors, who crossed the country's border, paying attention to the specific time frame and to determine under what category of tourists is a specific foreign visitor. These are underlying assumptions of the authors that, from their point of view, will help to get more clear vision on the compilation of statistical data. Although, current statistical data is not complete, it will help to understand the off-peak period for better planning and creation of new alternative tourism products to overcome seasonality. The research is based on the time series data starting from the year 2017 and including 2019.

Results and discussion

Tourism industry in Latvia

According to Ministry of Economics of the Republic of Latvia (2017) conducted survey, the development of Tourism in Latvia is recognised as one of the economic and environmental development priorities. After joining the EU, Latvia experienced rapid tourism development period, followed by a sharp economic downturn phase, which also negatively affected the development of tourism. Starting with 2011 Latvian tourism returned to growth, and the volumes are impressive. At present, Europe and worldwide tourism industry are experiencing significant changes: changing tourist travel habits, increasing e-commerce applications, increasing the diversity of tourism products and the number of appearances of new tourist destinations (Cabinet of Ministers of LR, 2014).

Although tourism is an important source of export income in Latvia (tourism export in 2018 has grown for 10.4% comparing to 2017 and reached 1 378 mln. EUR; the expenditures of foreign visitors during their business trips in Latvia grew by 8.9%) (Central Statistical Bureau of Latvia, 2019), it is characterised by strongly marked seasonality. Considering the patterns of visitation (Butler and Mao, 1997) Latvia mostly has single or one-peak seasonality that occurs, where the seasonal pattern of demand in a generating region matches the seasonal pattern of attractiveness of a destination (e.g. coastal resorts in the summer season), tending to produce extreme seasonality. The coastal area of the Gulf of Riga (i.e. Jurmala, Saulkrasti) is a good example of single or one-peak seasonality.

Table 1: Number of visitors and nights spent in hotels and other accommodation establishments by month

	2017		2018		2019	
	Total	Foreign visitors	Total	Foreign visitors	Total	Foreign visitors
I	133 129	88 560	149 304	103 651	149 946	100 255
II	125 360	82 714	136 166	88 592	138 368	87 568
III	138 952	93 003	168 757	112 363	171 599	113 953
IV	178 719	128 184	203 702	142 299	205 632	145 859
V	229 933	166 281	253 151	184 405	260 171	183 206
VI	285 517	200 833	315 479	211 558	315 255	219 068
VII	378 125	252 073	392 888	268 179	400 232	269 702
VIII	349 475	234 227	388 438	262 835	388 483	263 890
IX	236 476	172 577	245 539	175 347	243 056	171 844
X	187 718	131 787	206 347	142 996	210 559	144 907
XI	158 785	108 914	169 283	113 216	181 350	119 345
XII	175 149	119 820	179 754	119 956	188 682	126 322

Source: own elaboration/Central Statistical Bureau of Latvia (2018-2020)

According to Table 1 Latvia is mostly visited during the summer months with a peak visitation in July. These data remain unchanged for several years.

Table 2 shows that Riga and Riga region are being popular among tourists for several years already. This region has a well-developed tourism infrastructure.

Table 2: Number of visitors in hotels and other accommodation establishments total by year and location

Year	Total		of which non-residents	
	in Latvia	of which in Riga region	in Latvia	of which in Riga region
2017	2 577 338	1 583 083	1 778 973	1 391 856
2018	2 808 808	1 716 787	1 925 397	1 484 152
2019	2 853 333	1 687 156	1 945 919	1 459 804

Source: own elaboration/Central Statistical Bureau of Latvia (2018-2020)

Event tourism

Countries which tourism activities depend on seasonality are trying to find ways to extend the season and how tourists can be attracted. For this, those types of tourism are used, that can be realized regardless of climate and weather conditions. Such types of tourism are medical tourism, business tourism, educational tourism and event tourism, which is becoming very popular recently (Dimmock & Tiyce, 2000). According to Lee et al (2008) creating specific events can help to minimise the effects of seasonality, as this help to diversify the offer of the destination. Getz and Page (2016) agree that events can help to even out the distribution of tourist flows throughout the year and moreover to stimulate “other forms of economic development”.

Event tourism can be divided into holiday events tourism, sports events tourism and festival tourism. For example, when it comes to sporting events, annual running marathons and semi-marathons take place in cities, where most beautiful sites are used to plan the route, which, thereby, raise the popularity of these places, also through the social networks. And gastronomic urban festivals usually “extend life” of the festival cuisine, which remains in the menu of the participating restaurant for a long time. According to the surveys of The Festival Awards and CGA Strategy, one of the main reasons for attending festivals is the opportunity to meet new people and to spend time with friends. Festival visitors aim to learn more about the venue and the people living there. Often tourist want to lead the same way of life, as the residents do, and they hope, that festival will help them to understand features of the culture of the following country. Festivals give opportunity to feel and value the charm of the sites and the spirit of country. In addition, festivals give opportunity for live communication to brand owners, sellers of goods and consumers, old friends and strangers, local business and administration. Festivals are one of the fast-developing phenomena in the tourism business, they are an important element in the entertainment sphere. Festivals give opportunity to raise the level of development of the local tourism business, facilitate the establishment of business contacts, serve as a method of promoting destination (Dimmock & Tiyce, 2000).

Tourism, the purpose of which is to attend events, is interested in festivals and special events that can play a significant role in development of the destination and make the event

as attractive as possible. Getz and Frisby (1988) believe that holidays not only attract tourists, but also contribute to the preservation of the regional identity.

Events can be considered as an important motivator for tourism. It's rather new and interesting type of tourism, which develops very rapidly. The main aim of such trip is specific event. Event tourism can be divided into several groups, like:

- National holidays and festivals
- Theatrical shows
- Movie and theatre festivals
- Gastronomic festivals
- Flower exhibitions and festivals
- Thematic exhibitions
- Fashion shows
- Auctions
- Music festivals
- Sport events
- International technical salons (Getz, 2007; Бабкин, 2008)

According to Connell et al (2015) (Table 3) there is a variety of special occasion events at specific destinations at the certain times that promote “special activities” during the low season.

Table 3: Themed events during the low season at the destinations

Harvest theme	Focusing on locally produced food, celebrations dedicated to harvesting, etc.
Halloween	Focusing on “dressing-up”, pumpkin craft competitions, theatrical performances, etc.
Christmas	Focusing on shopping (Christmas markets), decoration competitions (buildings), “special menus”, etc.

Source: own elaboration/ Connell et al (2015)

According to official page for Latvian tourism (Latvia travel, 2018-2019) the top ten events for 2018-2019 years in Latvia were singled out:

1. Riga City Festival, August
2. Positivus Festival, July
3. Staro Rīga Light Festival, November
4. Christmas Markets in Riga, December – January
5. Song and Dance Festival, June – July (2018)
6. Latvia’s 100th Anniversary, November (2018)
7. Midsummer or Jāņi, June 23
8. Lattelecom Riga Marathon, May

9. Summer Sound, August
10. Medieval Day at Cēsis Castle, May – September

There is no need to expand in detail regarding each of the event shown in the list above, however, it is clearly seen that the distinctive part of these events take part in the summer season, which is the peak season in Latvia, and can be considered, as accompanying event or added value to the main tourism product offered. However, the task of the authors is to distinguish events as an opportunity to extend the tourist season, to even out tourist flows throughout the year.

Results and discussion

As a strategy for overcoming seasonality in tourism in Latvia, the authors assume thematic exhibitions, as after analysing information obtained from BT1, which is the leading exhibition company in the Baltics, the number of foreign companies in exhibitions organized by BT 1 “throughout the year makes up approx. 25 % but the number of foreign visitors, according to approximate estimates, about 20 %” (The International Exhibition Company BT1, 2019-2020). BT 1 gives opportunity for the development of local entrepreneurship and national economy. The key point in this is that exhibitions are organized “throughout the year”, this would allow to extend the tourism season.

According to the data, in 2019 BT1 welcomed 5108 participant companies (+2.66% comparing to 2018) and 401 352 visitors (same number comparing to 2018) (The International Exhibition Company BT1, 2019-2020). Most of the exhibitions (about 25 annually) are organized in the low season, which starts in September and ends in April. Traditionally, already 27 years, the “season” of exhibitions is opened by International Travel Trade Fair – “Balttour”, which is held in the beginning of February. In 2020 the 850 travel and tourism enterprises from 38 countries worldwide and 28 364 visitors took part in the exhibition (Balttour, 2018-2020). The record of visitation was reached in 2018, when 860 travel and tourism enterprises from 39 countries worldwide and 29 630 visitors took part in the exhibition (Balttour, 2018-2020). Balttour is followed by an impressive list of international exhibitions, including International Exhibition of Boats and Yachts, International Fair for Hunting Gear and Fishing Tackle, 11th International Medical Fair and many others (The International Exhibition Company BT1, 2019-2020).

According to the Table 2 and 4 it can be concluded that Riga and Pieriga regions can be considered as positive locations for developing event tourism during the low season, as the number of accommodation establishments is high in these regions and total number of visitors in Riga and Pieriga region makes the significant part of all visitors in country itself.

Table 4: Hotels and other tourist accommodation establishments by cities under state jurisdiction and counties by quarter

	2017		2018		2019	
	No of es-ts ¹	No of rooms	No of es-ts	No of rooms	No of es-ts	No of rooms
Total	3 703	72 199	3 808	73 944	3 955	75 597
Riga	536	31 374	545	32 149	532	33 219
Pieriga	862	16 370	874	16 387	917	16 679
Vidzeme	706	6 340	724	6 427	731	6 318
Kurzeme	853	9 989	893	10 620	960	10 515
Zemgale	343	3 538	338	3 591	342	3 652
Latgale	403	4 588	434	4 770	473	5214

Source: own elaboration/Central Statistical Bureau of Latvia (2018-2020)

Moreover, basing on the research findings of Connell et al (2015) related to thematic events during the low season (Table 3), the authors assume that local traditions (UNESCO.lv) can be used as the basis for themed events to attract foreign tourists during the low season in Latvia (Table 5).

Table 5: Themed events during the off-season in Latvia

Theme	Name of the tradition	Activities
Harvest theme	Miķeļi (September)	Miķeļi are celebrated when everything is harvested in the gardens and fields and it is time to go to the market. (UNESCO.lv)
	Mārtiņi (November)	Six weeks after Miķeļi, Mārtiņi are celebrated. This is winter welcoming tradition. At this time people put on masks and visit relatives and distant neighbours. (UNESCO.lv)
Christmas	Ziemassvētki (December)	Walking on stilts. This tradition is from Mārtiņi to Meteņi, but the most intense take place around Christmas time. Another characteristic is to pull the log. It is described as a symbolic collection of last year 's difficulties and misfortunes and incineration. Rich meal is also traditional for Latvian Christmas. (UNESCO.lv)

¹ Establishments

End of winter	Metēņi (February/March)	Metēņi are an ancient Latvian spring waiting festival and are celebrated in February or early March, 7 weeks before Easter. A variety of fun activities are characteristic to this celebration. Rich meal is also traditional for Metēņi. (UNESCO.lv)
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Source: own processing

Conclusion

The goal of this study has been achieved: as a result of the study, the authors received an answer to the question, namely, that event tourism can be considered as an opportunity to reduce the influence of seasonality in Latvia. Moreover, the authors analysed the available statistics on incoming tourism in Latvia, although they, according to the authors, are not accurate.

It can be concluded that the number of foreign visitors in Latvia continues to grow. However, Latvia needs to identify its competitive advantages to develop tourism products and areas with greater potential for sustainable development. Latvian tourism industry is currently faced with problems related to the strongly marked seasonality that created tourism business turnover fluctuations, as well as a common development vision deficiency (Cabinet of Ministers of LR, 2014). To ensure the future development of the tourism industry in Latvia, public activities in the tourism sector need to be focused on those tourism products and territories that successfully attract visitors, reduce seasonality effect and provide tourism product yield and increase in exports.

According to the data obtained, there is a tendency for growth of the events organised by BT1 in Riga. This should be considered by developing event tourism, as a tool for possible alignment of the seasons, as the most visited month in Latvia remains July for more than three consecutive years. The authors suggest cooperation between BT1 and Association of Latvian Tour Operators and Agents (ALTA), who is a member of ECTAA, which is the Group of National travel agents and tour operator's associations within the EU (ECTAA, 2018), to facilitate the development and growth of the event tourism, as for this moment Balttour is the only event organised in cooperation with ALTA. The proper statistical data should be available for further analysis, that would help to identify the dynamic of visitation and implement strategies for overcoming seasonality in tourism in Latvia. This includes data regarding the number of visitors during the specific event held, before and after.

In addition, the authors have created their own table of national holidays, which, according to old traditions, were customary to celebrate, and some are still celebrated during the low season, which falls on September-April period. In their opinion, these traditions can be further developed into common tourism product, that will combine a variety of different fun activities and rich treats. The following product would possibly attract both local and international tourists and thereby perpetuate rich ancient traditions.

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Communication in hotel industry management

Karel Chadt, Romana Kratochvílová

review

Communication can convince the truth, help spread lies, strengthen or dampen emotions, and shape attitudes. It has become an important marketing tool. The connection between communication and lifestyle change can be observed throughout the HORECA sector.

The text of the evaluated monograph by the author Karel Chadt and the author Romana Kratochvílová is focusing on the management of the hotel industry. The book contains six chapters in addition to the introduction. Their names correspond to the main topics according to the title of the whole publication: basic characteristics of communication, types of communication, communication in the work of a manager, socio-psychological aspects in working with people, communication in managerial functions, communication in an international environment. Clear subchapters approach the topic of communication in hotel industry management from various perspectives.

When reading, the authors' perfect knowledge of the issue and literature is obvious from the list given at the end of the book. The author and author of the book work at the Institute of Hospitality Management in Prague and with the reality of the hotel industry are well acquainted. Prof. Karel Chadt successfully builds on his previous publications. The long-term experience of the authors in the positions of manager in the field of Human Resources of a multinational company and a university teacher with perfect knowledge of the Czech language is also valuable.

The chapters contain many new ideas or present known facts from a new perspective. In the introduction, the authors emphasize that: "The focus of the publication is communication in basic managerial functions, taking into account the hotel industry.

The chapters contain many new ideas or present known facts from a new perspective. In the introduction, the authors emphasize that: "The focus of the publication is communication in basic managerial functions, taking into account the hotel industry. In this context, the results of the research of the Department of Marketing are also presented. This part also includes phenomena of recent years such as mobbing and bossing. The final chapter dealing with communication in the international environment, especially with guests from the European Union and selected world nations visiting the Czech Republic, can be beneficial

for managers. " from this point of view, the book is current. The topic is important because of what its author Zdeněk Vybíral mentions in another book: "The purpose of every communication is to communicate and possibly change its" inner context "in the mind, consciousness, and unconscious. Enrich it with a sense of belonging, bring new information into it. "(Vybíral, Z. Psychologie komunikace, Praha: Portál, 2005).

I have no comments on the text presented. The submitted monograph should be assessed as very current and necessary. Reading books contributes to better interpersonal coexistence, to the interest in solving problems rationally, and to preventing violations of ethical rules and abuse of job positions. A positive approach will help to make the just submitted monograph by Karel Chadt and Romana Kratochvílová. It can also serve students of various universities and faculties, such as the general public, who want to get acquainted with the topic for various reasons, including the use of knowledge.

Based on the opinions evaluated above, I recommend publishing the evaluated monograph.

In Prague on September 16, 2019

doc. Ing. Marie Dohnalova, CSc.

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