METHODOLOGICAL ASPECTS OF TRAVEL & TOURISM COMPANIES' STRATEGIC ANALYSIS

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Abstract. Article deals with methodological aspects of travel & tourism companies' strategic analysis. Two stages of the strategic analysis are described. In the external analysis it is recommended to use Porter's five forces analysis, Strategic group mapping, Critical success factor. List of external public sources is recommended for strategic analysis of macro environment of Travel & Tourism companies. Following internal analysis components are recommended: analysis of resources and competencies, value chain analysis, comparative analysis through financial analysis and benchmarking, analysis of products and their positions in the market.

Keywords: business travel, leisure travel, PEST, Porter's five forces.

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Introduction

In 2017, US$ 1.23 trillion was spent around the world on business travel according to information of the World Travel & Tourism Council (Travel & tourism economic impact 2018 Ukraine, 2018). “The spending on these trips, undertaken by employees on behalf of their companies or organizations, represented nearly one quarter (23%) of total Travel & Tourism spending” (Maximising Opportunities for Business Travel Growth – Executive Summary, 2017). “As a leading job creator, Travel & Tourism directly employs 109 million people representing 3.6% of all employment. When indirect and induced impacts are included, the sector contributes one in every 10 jobs worldwide” (Maximising Opportunities for Business Travel Growth – Executive Summary, 2017).

Leisure travel spending in Ukraine generated 89.4% of direct Travel & Tourism GDP in 2017 (US$ 4,315.5bn) compared with 10.6% for business travel spending (US$ 514.1bn). Business travel spending in Ukraine is expected to grow by 10.4% in 2018 to US$ 567.6 bn, and rise by 4.7 % pa to US$ 898.5 bn in 2028 (table 1).

Table 1
Summary tables: estimates & forecasts of business spending (Travel & tourism economic impact 2018 Ukraine, 2018)

<table>
<thead>
<tr>
<th>Region</th>
<th>2017, USD</th>
<th>2017, % of total</th>
<th>2018, Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>UKRAINE</td>
<td>514.1mn</td>
<td>0.2</td>
<td>10.4</td>
</tr>
<tr>
<td>OTHER EUROPE</td>
<td>37.4 bn</td>
<td>0.4</td>
<td>5.9</td>
</tr>
<tr>
<td>WORLDWIDE</td>
<td>1,230.6bn</td>
<td>0.7</td>
<td>3.8</td>
</tr>
</tbody>
</table>
Business travel spending in Ukraine is growing more than in other Europe and worldwide. There is a need for adequate information to make management decisions at the macro and micro levels. For further development of business travel in Ukraine, Strategic analysis of Travel & Tourism companies can be solution of this problem at micro level. Complexity and multidimensionality of this analysis, taking into account the peculiarities of the economic type activity and the regional affiliation of Travel & Tourism companies, makes the topic of the research relevant.

1. External environment

There are several options for sequence of strategic analysis. David Campbell, George Stonehouse, Bill Houston suggest starting a strategic analysis with internal analysis, and then doing external analysis (Campbell et al., 2003). A. Tompson, A. Strickland recommend to begin with external analysis after which to do internal analysis (Tompson & Strickland, 2006). “Strategic analysis, that is, the systematic investigation of a firm and its environment, is the foundation of the strategic-management process” (Harrison, 2003).

From our point of view, the sequence of strategic analysis chosen by A. Tompson, A. Strickland is more successful because it allows to study trends in the industry and a competitive situation. This will provide an opportunity to formulate the reasons for change in the indicators for Travel & Tourism companies. For example, the fall in the level of ROI at Travel & Tourism companies may be due to external factors (crisis) or internal factors (inefficient management), as well as their combination. With this sequence, there is no need to reinterpret the results of the internal analysis, which reduces the resources for conducting it. The results of an external analysis will enable more systematic approach to conduct an internal review does not focus solely on existing approaches to doing business in a particular company.

The external environment consists of two components - a microenvironment and a macro environment.

Macro environment can affect both the enterprise and the entire industry as a whole: an enterprise as a rule can not affect the macro environment. To analyze the macro environment, STEP analysis is used. For this purpose, the following macro-environment factors are distinguished: socio-demographic, political, economic, technological.

STEP analysis is also called PEST analysis. The disadvantage of STEP analysis is that simplifying up to four macro-environment factors does not always give a complete picture of the macroenvironment. Therefore, STEP analysis is added by other factors (ecological or environmental, educational, ethics, geographical, intercultural, security, sociocultural, legal or regulatory, etc.) and the abbreviation can be changed accordingly.

The second drawback of STEP analysis is the high level of subjectivity of results of evaluation of each of the factors. This may be due to work experience, education, access to information, personal preferences. This may reduce the method of expert evaluations. It can be conducted in one or more stages. Experts can make their own decisions or interact with each other. In addition, the criteria for selecting experts and their number are important. Another disadvantage of STEP analysis is that such obtaining of information requires significant financial investments.

According to Samokhvalov Y. Y. and Naumenko E. M. “no expert is able to cover all aspects of the complex problems of foreseeing the future. Bringing together the efforts of
specialists who are well versed in various fields of knowledge and acting as experts, significantly expands the possibilities of a multifaceted analysis and increases the reliability of the choice of solutions “(Samokhvalov & Naumenko, 2007).

It is recommended to involve not only experts from this field of activity, but also IT specialists, representatives of similar industries (airline representatives can be involved in the hotel business) for strategic analysis in the hotel business. At the final stage of expert evaluations method set the degree of consistency of expert opinion is formed and summative evaluations.

For strategic analysis of the macro environment of Travel & Tourism companies, it is recommended to use external public sources. The advantage of external public sources is receiving free information and high degree of confidence in reports published by authoritative organizations. External public sources for the purposes of strategic analysis can be divided into two groups. The first group describes general conditions of doing business in a country excluding the type of economic activity of companies. The second group reflects the specifics of work in tourism in a particular country.

The first group


3. Corruption Perceptions Index. The index, which ranks 180 countries and territories by their perceived levels of public sector corruption according to experts and businesspeople, uses a scale of 0 to 100, where 0 is highly corrupt and 100 is very clean. Transparency International has published the Corruption Perceptions Index since 1995 (Corruption Perceptions Index, 2018).

4. Allianz Risk Barometer. The most important corporate perils for the year ahead and beyond, based on the insight of more than 1,900 risk management experts from 80 countries. (Allianz Risk Barometer, 2018).

5. The Democracy Index is an index compiled by the UK-based company the Economist Intelligence Unit that intends to measure the state of democracy in 167 countries.

6. The Press Freedom Index is an annual ranking of countries compiled and published by Reporters Without Borders.

7. The Global Competitiveness Report is a yearly report published by the World Economic Forum. Central to the Report’s index, the Executive Opinion Survey (the Survey) is the longest-running and most extensive survey of its kind, capturing the opinions of business leaders around the world on a broad range of topics for which statistics are unreliable, outdated, or nonexistent for many countries. Thus the Survey aims to measure critical concepts - such as appetite for entrepreneurship, the extent of the skills gap, and the incidence of corruption - to complement the traditional sources of statistics and provide a
more accurate assessment of the business environment and, more broadly, of the many drivers of economic development (*The Global Competitiveness Report, 2018*).

The indicators derived from the Survey are used in the calculation of the Global Competitiveness Index as well as a number of other World Economic Forum indexes, such as the Networked Readiness Index, the Enabling Trade Index, the Travel & Tourism Competitiveness Index, the Gender Gap Index, and the Human Capital Index as well as several other reports, including The Inclusive Economic Growth.

*The second group*

1. Travel and Tourism Competitiveness Report was first published in 2007 by the World Economic Forum. The World Economic Forum has, for the past 11 years, engaged leaders in travel and tourism to carry out an in-depth analysis of the Travel and Tourism competitiveness of 136 economies across the world. The Travel and Tourism Competitiveness Index measures “the set of factors and policies that enable the sustainable development of the travel and tourism sector, which in turn, contributes to the development and competitiveness of a country”. The Travel & Tourism Competitiveness Report 2017 consists of 14 components (figure 1) (*The Travel & Tourism Competitiveness Report, 2017*).

2. UNWTO Annual Report 2017. The World Tourism Organization (UNWTO) is the United Nations agency responsible for the promotion of responsible, sustainable and universally accessible tourism. It is the leading international organization in the field of tourism, which promotes tourism as a driver of economic growth, inclusive development and environmental sustainability and offers leadership and support to the sector in advancing knowledge and tourism policies worldwide. Other UNWTO reports: “UNWTO World Tourism Barometer and Statistical Annex”, “Yearbook of Tourism Statistics”, “European Union Tourism Trends” and others (*UNWTO Annual Report, 2017*).

3. World Travel & Tourism Council produces reports and forecasts of the economic and employment impact of Travel & Tourism for 185 countries and 25 geographic or economic regions in the world. Alongside the annual Economic Impact Research, WTTC also publishes research in a number of other areas within the Tourism & Travel sector such as overcrowding, taxation, policy making and others (*WTTC, 2018*).

4. The Global status report on alcohol and health 2014 presents a comprehensive perspective on the global, regional and country consumption of alcohol, patterns of drinking, health consequences and policy responses in Member States. It represents a continuing effort by the World Health Organization (WHO) to support Member States in collecting information in order to assist them in their efforts to reduce the harmful use of alcohol, and its health and social consequences (*The Global status report on alcohol and health, 2014*).

5. The World Drug Report is a United Nations Office on Drugs and Crime annual publication that analyzes market trends, compiling detailed statistics on drug markets. Using data, it helps draw conclusions about drugs as an issue needing intervention by government agencies around the world (*The World Drug Report, 2017*).


7. Government information for citizens travelling overseas on a range of issues including travel advice, customs information, passports and visas (table 2). Government give important advice to help tourist to make informed decisions and to travel safely while tourist are abroad.
Travel & Tourism Competitiveness Index

**Business environment**
- Property rights
- Business impact of rules on FDI
- Efficiency of legal framework in settling disputes
- Efficiency of legal framework in challenging regs
- Time required to deal with construction permits
costs
- Cost to deal with construction permits %
construction cost
- Extent of market dominance
- Time to start a business days
- Cost to start a business % GNI per capita
- Effect of taxation on incentives to work
- Effect of taxation on incentives to invest
- Total tax rate % profits

**Safety and security**
- Business costs of crime and violence
- Reliability of police services
- Business costs of terrorism
- Index of terrorism incidence
- Homicide rate /100,000 pop.

**Health and hygiene**
- Physician density /1,000 pop.
- Access to improved sanitation % pop.
- Access to improved drinking water % pop.
- Hospital beds /10,000 pop.
- HIV prevalence % adult pop.
- Malaria incidence cases /100,000 pop.

**Human resources and labour market**
- Primary education enrollment rate net %
- Secondary education enrollment rate gross %
- Extent of staff training
- Degree of customer orientation
- Hiring and firing practices
- Ease of finding skilled employees
- Ease of hiring foreign labour
- Pay and productivity
- Female participation in the labor force ratio to men

**ICT readiness**
- ICT use for biz-to-biz transactions
- Internet use for biz-to-consumer transactions
- Internet users % pop.
- Fixed-broadband Internet subscriptions /100 pop.
- Mobile-cellular telephone subscriptions /100 pop.
- Mobile-broadband subscriptions /100 pop.
- Mobile network coverage % pop.
- Quality of electricity supply

**Prioritization of Travel & Tourism**
- Government prioritization of travel and tourism industry
- T&T government expenditure % government budget
- Effectiveness of marketing and branding to attract tourists
- Comprehensiveness of annual T&T data 0–120 (best)
- Timeliness of providing monthly/quarterly T&T data 0–21 (best)
- Country brand strategy rating 1–10 (best)

**International Openness**
- Visa requirements 0–100 (best)
- Openness of bilateral Air Service Agreements 0–38
(best)
- Number of regional trade agreements in force number

**Price competitiveness**
- Ticket taxes and airport charges 0–100 (best)
- Hotel price index US$ (best)
- Purchasing power parity PPP $ (best)
- Fuel price levels US$ cents/litre

**Environmental sustainability**
- Stringency of environmental regulations
- Enforcement of environmental regulations
- Sustainability of travel and tourism industry development
- Particulate matter (2.5) concentration μg/m³
- Environmental treaty ratification 0–27 (best)
- Baseline water stress 5–0 (best)
- Threatened species % total species
- Forest cover change % change
- Wastewater treatment %
- Coastal shelf fishing pressure tonnes/km²

**Air transport infrastructure**
- Quality of air transport infrastructure
- Available seat kilometres, domestic millions
- Available seat kilometres, international millions
- Aircraft departures /1,000 pop.
- Airport density airports/million pop.
- Number of operating airlines Number

**Ground and port infrastructure**
- Quality of roads
- Road density % total territorial area
- Paved road density % total territorial area
- Quality of railroad infrastructure
- Railroad density km of roads/land area
- Quality of port infrastructure
- Ground transport efficiency

**Tourist service infrastructure**
- Hotel rooms number/100 pop.
- Quality of tourism infrastructure
- Presence of major car rental companies
- Automated teller machines number/thousand adult pop.

**Natural resources**
- Number of World Heritage natural sites number of sites
- Total known species number of species
- Total protected areas % total territorial area
- Natural tourism digital demand 0–100 (best)
- Attractiveness of natural assets

**Cultural resources and business travel**
- Number of World Heritage cultural sites number of sites
- Oral and intangible cultural heritage number of expressions
- Sports stadiums number of large stadiums
- Number of international association meetings 3-year average
- Cultural and entertainment tourism digital demand 0–100 (best)

Fig. 1. The components of Travel & Tourism Competitiveness Index
(The Travel & Tourism Competitiveness Report, 2017)
### Official source of destination-specific travel information

<table>
<thead>
<tr>
<th>Country</th>
<th>Title</th>
<th>Link</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australia</td>
<td>Travel advice</td>
<td><a href="http://smartraveller.gov.au/zw-cgi/rew/Advice/">http://smartraveller.gov.au/zw-cgi/rew/Advice/</a></td>
</tr>
<tr>
<td>Ireland</td>
<td>Travel Advice by country</td>
<td><a href="https://www.dfa.ie/travel/travel-advice/">https://www.dfa.ie/travel/travel-advice/</a></td>
</tr>
<tr>
<td>Canada</td>
<td>Country travel advice and advisories</td>
<td><a href="http://travel.gc.ca/travelling/advisories">http://travel.gc.ca/travelling/advisories</a></td>
</tr>
<tr>
<td>Russia</td>
<td>Directory of countries of the world</td>
<td><a href="http://sos.mid.ru/countries">http://sos.mid.ru/countries</a></td>
</tr>
<tr>
<td>USA</td>
<td>Country Information</td>
<td><a href="http://travel.state.gov/content/passports/en/country.html">http://travel.state.gov/content/passports/en/country.html</a></td>
</tr>
<tr>
<td>Ukraine</td>
<td>Travel advice</td>
<td><a href="http://mfa.gov.ua/ua/consular-affairs/travel-advice">http://mfa.gov.ua/ua/consular-affairs/travel-advice</a></td>
</tr>
</tbody>
</table>

8. The World Factbook provides information on the history, people, government, economy, energy, geography, communications, transportation, military, and transnational issues for 267 world entities (*The World Factbook, 2018*).

9. Global Peace Index 2018 measures the relative position of nations’ and regions’ peacefulness. The Global Peace Index ranks 163 independent states and territories according to their levels of peacefulness. The Global Peace Index is a report produced by the Institute for Economics and Peace and developed in consultation with an international panel of peace experts from peace institutes and think tanks with data collected and collated by the Economist Intelligence Unit (*Global Peace Index, 2018*).

10. Global Terrorism Index 2017 is a report published annually by the Institute for Economics and Peace. It covers 163 countries (*Global Terrorism Index, 2017*).


In addition to external public sources, you can use paid reports. Especially it will be useful to subscribe to reports on multi-purpose research, which are devoted to the peculiarities of consumer behavior and the competitive situation in the analysis of the microenvironment.

The micro environment is “an environment that directly surrounds the company, i.e. areas with which the company interacts or is itself affected by it” (*Campbell et al., 2003*). There are competitors, suppliers and customers. To analyze the microenvironment, Porter's five forces analysis is used:
1. Threat of new entrants.

The hotel business is characterized by high capital requirements and long terms of construction of new facilities. Tour operators should pay attention to the economies of scale of existing players in the market and the government policy to the minimum requirements for the implementation of tour operator activities. At the initial stage, an important role will be played by cost disadvantages despite of size. For Tourism & Travel sector, an important factor is customer loyalty to established brands.

2. Threat of substitutes.

For Tourism & Travel sector, you should pay attention to alternative destinations both within the same country and foreign destinations.

Development of telecommunications application software product that specializes in providing video chat and voice calls between computers, tablets, mobile devices via the Internet reduces the need for business travel. Hotels hosting meetings, conferences and exhibitions should invest in reliable broadband links that some of the participants could take part in the event on the Internet. This is essential in supporting the ongoing growth and development of the business travel.

For Tourism & Travel sector, important factors are: buyer's propensity to substitute, relative price performance of substitute, ease of substitution. The approach to buying from the collective buyer is more professional (Kotler, 2005). Therefore, if the hotel has a professional Meeting planner, this not only can increase the share of business tourists, but also deter existing ones from moving to competitors.


With the development of the Internet, hotel reviews posted on specialized sites became important during decision making. Complaint management becomes very important. Instant respond to the complaint is not already enough. It is necessary to identify dissatisfied customers who do not make a complaint and who potentially can write a negative feedback on the Internet. If a negative feedback appears on the Internet you need to react quickly as well.

In some segments of business tourism, the buyer price sensitivity factor is of decisive importance.


For the hotel business is of little importance due to the large number of suppliers. For tour operators is of decisive importance with transport services.

5. Industry rivalry.

Level of competitiveness at some business tourism destinations can be low.

Among described by David Campbell, George Stonehouse, Bill Houston disadvantages of Porter's Five Forces applying to business tourism we should notice that “influence of the factor is variant for different companies”. Porter’s five forces analysis has been challenged by Kevin P. Coyne and Somu Subramaniam. They claimed that dubious assumptions underlie the five forces: that buyers, competitors, and suppliers are unrelated and do not interact and collude. Business tourism enables collaboration. Convention centers can stimulate the development of an economy. For instance, The Rhode Island Convention Center is an exposition center in downtown Providence, RI. Opened in 1993, it is the largest convention center in Rhode Island, with about 12,000 m2 of exhibition space, including a 9,300 m2 exhibit hall. The Convention Center hosts nearly 250 events each year. The state paid for building The Rhode Island Convention Center $82 million. Tourism destinations interested in developing congress tourism can apply Rhode Island experience.
Besides Porter’s Five Forces, Strategic group mapping, Critical success factor could be used for analysis of Macro Environment.

Important fact for analyzing business travel clients: average amount of costs per participant a day can be different in dependence on specificity of a conference. According to John R. Walker’s data average costs per participant at a 3,5-day conference in USA:
- medicine, insurance, computers – US$ 1764;
- trade exhibitions – US$ 1248;
- education – S$ 875;
- social – US$ 864.

Depending on the GDP per capita in a country, amount of costs will be different, but the ratio in average costs per participant between conferences, depending on the specificity, will approximately be the same. In the last two categories, sensitivity to price will be higher than that of the first two.

Competition between the industry participants can be both price and non-price. If there is a price competition, then hotels should use pricing in the context of direct-costing, a system of discounts for regular customers, discounts depending on the season, the range of the event, etc.

In the strategic analysis of tourism companies, it is necessary to determine the forms of competition and probability of forward actions of competitors, the flexibility of the competitor for serious strategic changes.

In general, we can conclude that business travel spending worldwide is expected to grow by 3.8% in 2018 to US$ 1,230.6bn (in other Europe – 5.9%, in Ukraine – 10.4%). In 2017, international tourist arrivals are 12,428,286 in Ukraine, international tourism inbound receipts – US$1,082.0 million, average receipts per arrival – US$ 87.1 (The Travel & Tourism Competitiveness Report, 2017). Travel & Tourism Competitiveness Index of Ukraine is 88 of 136 countries in 2017 (figure 2).

**Fig. 2. Ukraine. Performance Overview in 2017**
In 2017 Ukraine occupies low positions in Travel & Tourism Competitiveness Index Component: Safety and security 127th, Business environment 124th, Environmental sustainability 97th, Prioritization of Travel & Tourism 90th, Natural resources 115th. This worsens the position of Ukraine in the world business tourism market.

“Competition between companies and destinations will become more intense in the context of globalization and the level of customer requirements will increase. Therefore, there is an increasing pressure on the tourism industry, continually seeking new systems and technologies to reduce costs, increase sales and improve the traveller experience” (Nicula, Elena, 2014).

WTTC has identified “ways in which companies that facilitate and provide services for business travel need to work together with destinations and governments and with their travelling customers to fully maximise the value and opportunity of the industry for wider economic and social development”: invest in technology, invest in infrastructure, take cyber security seriously, meet the needs of the business traveller - “connecting experiences throughout an entire business trip, filtering choices based on personal preferences, facilitating quick and easy access to itineraries and other travel information, allowing the functionality to make changes where necessary, making suggestions based on itinerary and current location and contacting agents speedily, round-the-clock” (Maximising Opportunities for Business Travel Growth – Executive Summary, 2017).

2. Internal environment

*Internal analysis* will "identify the potential for competitive advantage, as well as identify those areas that require emergency intervention to ensure market survival" (Campbell, 2003). For travel & tourism companies, the following internal analysis components are recommended: analysis of resources and competencies, value chain analysis, comparative analysis through financial analysis and benchmarking, analysis of products and their positions in the market.

From our point of view, the most relevant in modern conditions is the approach to describing resources within the International Integrated Reporting Framework (IR, the international standard for its preparation is adopted by the IIRC in 2013): “at the core of the organization is its business model, which draws on various capitals as inputs and, through its business activities, converts them to outputs (products, services, by-products and waste)” (International Integrated Reporting Framework). In IR, “the capitals comprise financial, manufactured, intellectual, human, social and relationship, and natural” (International Integrated Reporting Framework) see the figure 3 for more details.

“Outcomes are the internal and external consequences (positive and negative) for the capitals as a result of an organization’s business activities and outputs” (International Integrated Reporting Framework, 2013).

For example, we consider the company Meliá Hotels International, which works in the hotel industry for over 60 years, its activity covers almost all countries of the world. Its management allocates the following types of resources: human, financial, industrial, intellectual, social and environmental (*Integrated Annual Report, 2017*), which are transformed into the results of its activities.
Among the results of Meliá Hotels International highlighted the financial performance in 2017:

1) general KPI for enterprises of any field of activity (Net Profit: €128.7 M (+27.8%), Revenues: €1,885.2 M, EBITDA ex capital gains growth: +11%, Success of the digital strategy, with sales of €520 M);
specific for the hotel business (Global RevPAR: +5.6% (30 consecutive quarters growing above the industry average), +18% RevPAR in Spanish city hotels, thanks to the successful repositioning process of business and “leisure” hotels).

In the report non-financial KPI are also presented: climate index, labour safety index, GRI content index, commitment index, quality penetration index, etc. (Integrated Annual Report 2017 Meliá Hotels International).

We agree with the opinion of the management of Meliá Hotels International that the approach, which based on the complementarity of financial and non-financial KPI, provides more objective information for making managerial decisions.

The results of resource analysis and benchmarking can be supplemented by comparing the hotel with existing standards. For travel & tourism companies, this may be the standards adopted at the national level. For business travel it is recommended to use “Criteria 2015 – 2020” Hotelstars Union.

“Hotelstars Union” is a harmonised hotel classification with common criteria and procedures in the participating countries. Under the patronage of HOTREC – Hotels, Restaurants & Cafés in Europe - the hotel associations of Austria, the Czech Republic, Germany, Hungary, the Netherlands, Sweden and Switzerland have created the “Hotelstars Union” in 2009. Later more countries have joined the HOTREC hotelstars system: Estonia (2011), Latvia (2011), Lithuania (2011), Luxembourg (2011), Malta (2012), Belgium (2013), Denmark (2013), Greece (2013), Liechtenstein (2015) and Slovenia (2017).

The fifth part of "Criteria 2015 - 2020" is called “Event Facilities (MICE)”. It includes:

● Banquet options;
  ○ Banquet options for at least 50 (100, 250) people (The restaurant area is not included);

● Conference rooms;
  ○ Conference room(s) of at least 36 m² to 100 m², ceiling height of at least 2.50 m;
  ○ Conference room(s) larger than 100 m², ceiling height of at least 2.75 m;
  ○ Conference room(s) larger than 250 m², ceiling height of at least 3.50 m.

A conference room must have appropriate lighting, (with artificial light 200lux), a telephone, WIFI of appropriate capacity, a projector, a projection screen (appropriate ceiling height and room size), two pin boards a flip chart, workshop material, a coat rack or locker, at least eight power sockets, an extension cable and power distribution.

  ○ Group work rooms/break rooms;
  ○ Business centre (separate office and available staff);
  ○ Conference service (separate department, separate staff);
  ○ Conference office/typing pool;

● Equipment/ technology of conference rooms;
  ○ Sufficient power sockets adapted to the number of seats (minimum criterion for every conference room);
  ○ Daylight in the conference room and possibility to darken the room (minimum criterion for every conference room);
  ○ Individually adjustable air conditioning of the conference rooms.

SWOT analysis can summarize the results of a strategic analysis or can be used as a separate strategic analysis tool. SWOT analysis groups the results of a strategic analysis into two main categories:

1. Internal factors - the strengths and weaknesses internal to the company.
2. External factors - the opportunities and threats presented by the environment external to the company.

SWOT analysis allows us to identify threats in the company's activities and prospects for using the opportunities that are opening up for it. It summarizes the results of external and internal analysis and allows you to correct the strategy of Travel & Tourism companies.

Conclusions and suggestions

Strategic analysis of Travel & Tourism companies includes two main stages: external analysis and internal analysis. In the external analysis it is recommended to use Porter's five forces analysis, Strategic group mapping, Critical success factor. List of external public sources is recommended for strategic analysis of macro environment Travel & Tourism companies. The first group of sources describes general conditions of doing business in a country excluding the type of economic activity of companies. The second group of sources reflects the specifics of work in tourism in a particular country. For travel & tourism companies, the following internal analysis components are recommended: analysis of resources and competencies, value chain analysis, comparative analysis through financial analysis and benchmarking, analysis of products and their positions in the market. The described list of strategic analysis tools is not exhaustive, but the selected tools cover most basic needs.

References


