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RIGA

Proceedings of Student International Seminar

"Hospitality Industry: Opportunities, Challenges and Perspectives'17"

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Foreword

Dear colleagues, we are proud to present to your attention the first collection of the materials of the student seminar "Hospitality Industry: Opportunities, Challenges and Perspectives'17" organized by "HOTEL SCHOOL" Hotel Management College in Riga and held on 28 November, 2017. This journal contains the papers recommended for publication by the Organizing Committee. The authors of these papers are students of "HOTEL SCHOOL" Hotel Management College in Riga.

The papers concern the problems of improving the quality of customer service on the basis of the latest information technologies, issues touching upon Food & Beverage, Gastronomy, Sales & Marketing, Sustainability, Management, Human Resources, Quality, Finances, as well as the aspects of preparing future specialists with the aim of their orientation to the requirements of the present labour market of Latvia.

The seminar provided the opportunity for local experts to discuss the issues of current challenges and perspectives of hospitality industry, innovations in Human Resource Management and variety of dimensions in the labour market,
professional life and education.

Invited guest speakers shared their vision regarding opportunities for education in the hospitality sector, employment perspectives, as well as trends and developments in hospitality industry in general.

We would particularly like to thank Mr. Ganchev, General Manager of "Grand Hotel Kempinski Riga", for the invaluable advice given to the seminar audience regarding the right attitude to the profession, for sharing his knowledge and experience with us, and all the participants for the worthy contributions they made
in all aspects of the seminar.

We are looking forward to the opportunity to discuss new challenges and perspectives of hospitality industry at the next seminar in 2018, which will hopefully expand our understanding and insights more fully and fruitfully.

Yours faithfully,
Chief Editor, Catherine Koryuhina

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PERSONNEL TRAINING AND DEVELOPMENT AS A MEANS OF QUALITY MANAGEMENT IMPROVEMENT

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Abstract. The theme of the research is personnel training and development as a means of quality management improvement. Therefore, the aim of the research is to define methods how to maximize quality of work performed by employees. Opinion based method of the research has been chosen for this project. The method involves collecting quantitative data. Moreover, the real example of running of personnel training program is described. The paper might be helpful for those who are interested in the training development at an enterprise.

Keywords: trainings, quality, management, casino, gambling industry

Introduction

Nowadays Gambling Industry is getting very popular all over the world. Moreover, it is very important to understand that Gambling Industry is very extensive and includes: casino games, sport betting, carnival games, confidence tricks, card games etc. In this research project casino, in particular online casino, will mostly be discussed. As far, as during the last few decades technology has developed dramatically, and as a result these days online gambling has also become very popular. It is important to point out that the Gambling Industry also has a big impact on country economy. According to the statistics, both land-based casinos and online casinos influence GDP of the country in a good way and the revenues of companies are still gradually increasing each year (statista.com, 2017). In spite of the fact that the majority of casinos, of course are land-based, online or interactive casinos are also getting more popular.

Speaking of Latvia, both types of casinos are legally allowed in the country. There are few different brands of casinos operating in Latvia; the most popular is "Olympic" casino. This casino provides different card games and roulette as well as sport betting and slot machines. Furthermore, for the last 10 years Latvia has also been a leading country in Baltic region for operating of online based casino. There are few of them located in the Riga: Evolution Gaming, Euro Live Technologies and some smaller casinos. The biggest casino is Evolution Gaming Latvia, which is Swedish company based in Latvia.

The Evolution Gaming is a big company with thousands of workers within the company. The company has been operating on the market for 10 years and it is not exaggeration to say that Evolution Gaming is the best live casino. As it was mentioned before, company provides online games led by live dealers. The work itself is simple and does not require any extensive knowledge; however the training and retraining process is taken very seriously.

Evolution gaming is the world's leading provider of video-streamed Live Casino solutions, delivering world-class, live dealer gaming, which includes many of the world's best-known gaming brands, such as Bwin, William Hill, Tempobet, Unibet etc. There is a variety of games presented by Evolution Gaming: Blackjack, Roulette, Baccarat, Casino Hold'em, Three Card

Poker, Caribbean Stud Poker, Ultimate Texas Hold'em and Dream Catcher.

Evolution Gaming is a large company with approximately 3000 workers, which is still growing and looking for the new employees. Also company has different departments: accounting department, IT-department, operational department etc. Moreover, operational department is the biggest within the company and has different positions such as game presenter, floor manager, service manager, live support manger, trainer, mentor etc.

The chosen company Evolution Gaming Latvia practices trainings for the employees on a very high level. The company provides high-quality training for each newcomer and spends a lot of resourcesfor this purpose, including time and money. Eventually, the expectations from the workers are high.

Training is the act of increasing or giving the knowledge and skills of an employee for doing a particular job. As soon as newcomer passed the interview, training period of 2 or 3 weeks begins. How much time the training will take depends on how many games employee wants to learn. There are two options: the first one is only blackjack; the second - both blackjack and roulette.

All other positions also require training before starting a work. There are always both theoretical and practical parts for all positions. The trainee must pass the theoretical exam in order to be allowed to work and then also a practical exam. During the training as well as for the first time (probation period of 3 months) regular feedbacks from the mentors will be provided and helpful advice and recommendations are always given.

However, a lot of attention is put on game presenters as far as they are the face of the company, and much of the success of a company depends directly on the live dealers. That is why Evolution Gaming makes every effort to train its staff regularly and monitor their performance on a daily basis.

Literature Review

Quality management is the act of overseeing all activities and tasks needed to maintain a desired level of excellence. This includes the determination of a quality policy, creating and implementing quality planning and assurance, quality control and quality improvement (Investopedia.com, 2017).

A famous quality management theoretician William Edwards Deming - an American engineer, statistician, professor, author, lecturer, and management consultant - has come up with 14 Points on Quality Management which helps the company to increase their quality and productivity. These 14 Points are:

- Create constancy of purpose for improving products and services.
- Adopt the new philosophy.
- Cease dependence on inspection to achieve quality.
- End the practice of awarding business on price alone; instead, minimize total cost by working with a single supplier.
- Improve constantly and forever every process for planning, production and service.
- Institute training on the job.
- Adopt and institute leadership.
- Drive out fear.
- Break down barriers between staff areas.
- Eliminate slogans, exhortations and targets for the workforce.
- Eliminate numerical quotas for the workforce and numerical goals for management.

- Remove barriers that rob people of pride of workmanship, and eliminate the annual

- rating or merit system.
- Institute a vigorous program of education and self-improvement for everyone.
- Put everybody in the company to work accomplishing the transformation (Deming, no date).

Moreover, according to Deming there is also iterative four-step management method used in business for the control and continual improvement of processes and products called PDCA, which stands for plan-do-check-act. During the first stage "Plan" the aims, as well as the process of achieving the goal should be identified. The next phase is "Do", where the plan which was already created at the first phase should be implemented and all necessary data should be collected and analyzed in order to forward to the next stages. Then, "check" stage, in other words assessment stage comes, which implies comparison with the expected results, collecting all information in order to step in the next phase "act". The last stage "act" is allocation of resources and taking action to eliminate reasons for deviations from the planned result.

To sum up, it is vital for the company to understand the whole process in order to be profitable and successful. As Deming put it: "If you cannot describe what you are doing as a process, you do not know what you are doing" (accelawork.com, 2017).

All companies are aimed at higher efficiency and better sales. In order to achieve the goal, obviously, all employees should have appropriate knowledge, but knowledge alone is not enough. Mostly, in the organization's corporate training programs the learning focus is knowledge transfer, from trainer to learner. It seems to be very simple: the trainers would share their knowledge and the employees would just remember. In fact, the employees are really good at remembering phrases, theory and concepts, and majority score high in tests. Where it all fells down is knowledge carry-over between trainigns and daily work. The trainings do not lead to new behavior and the obtained knowledge demonstrated in the written tests mostly does not guarantee its successful application in practice.

There are 5 principles which contribute to more effective training:

1. Problem-centered. Learning is promoted when learners acquire skill in the context of real-world problems.
2. Activation. Learning is promoted when learners activate existing knowledge and skills as a foundation for new skill.
3. Demonstration. Learning is promoted when learners observe a demonstration of the skill they are working to acquire.
4. Application. Learning is promoted when learners apply their newly acquired skill to solve problems.
5. Integration. Learning is promoted when learners reflect on and discuss their newly acquired skill. (Merrill, 2013).

It is vital to understand that employees after training should be able to perform the work in real conditions and deal with real customers. Training program should emphasize practical knowledge and skills, however theoretical knowledge also is important.

Methodology

In the Evolution Gaming enterprise there are certain methods of training for quality improvement that are strictly followed by each employee. Moreover, in order to make each individual to work appropriately and perform well, there is a good motivation strategy.

In Evolution Gaming there is a bonus strategy, which means "the better the performance, the higher the salary". Basically, the wage of the employee absolutely depends on his or her performance. There are criteria of performance that should be met by each member of the company, irrespective of the department.

For the game presenters the following way of evaluation of work is applied. Floor manager is in charge of the game presenters' performance. They have to monitor each dealer during the shift and help if any questions occur or any help is required. Also they have to evaluate on a daily basis game presenters by putting the mark for the work done, for example 100% is excellent and 85% means not very good performance. Therefore, evaluation directly influences salary, each mark has particular amount of bonus money per working hour. Obviously, the employees are highly motivated to work at a high level.

Naturally, as every organization Evolution Gaming needs to have a well-trained, responsible people to perform the job. Even though the company provides a high level training where all needed knowledge and skills are gained, still sometimes mistakes tend to happen. By mistake is meant, for instance, incorrect card position on blackjack or ball out in roulette. Of course, mistakes are a part of routine, but they cause game delay. Consequently, the company has money losses, and therefore, training and re-trainig are constant processes going on in the company.

A questionnaire, consisting of 5 questions has been created and offered to the employees of the company to find out their opinions about the training program. The results of the survey have been used to provide suggestions for the quality management improvements.

21 participants who are still working within the company or who recently have left the company took part in the survey. The following questions have been asked:

- How long have you been working?
- Were you satisfied with training? (After finishing training were you fully ready to work on live tables?)
- How often do you have re-training?
- Does training help you or you think it is unnecessary?
- Do you think you are in the right position in the company? Or you feel that you are able to do more and would like to develop your skills?

The aim was to identify the efficiency of training and re-training in the company.

Results

The questionnaires showed that 87% of respondents have been working in a company for less than one year. Next, 100% of respondents felt positive and ready to work in live table after the first training. In its turn, the majority, (65%) have re-training at least once in a month, which is considered to be very often. Moreover, 95% of respondents think that re-training is not needed, because this does not help avoiding mistakes. To finalize, again the biggest part (87%) are satisfied with the position they occupy in Evolution Gaming.

These questions helped to identify the importance of training and re-training. It is clearly seen that training was done very well, because all respondents were ready to work after training.

However, results show that 65% have re-training at least once a month, which means that game presenters still make mistakes during the shifts, even though they have got high quality training.

The work of game presenter requires a lot of concentration and extra attention to the details. Moreover, the job is the same every day, which also should be considered. Therefore, the author assumes that some people are just not attentive by nature and they are just not meant

for this work. Consequently, extra workshops are pointless due to the fact that reason of mistakes is simply the personality of a dealer. In this case, in order to improve the quality of management and trainings, before recruiting someone for the job it is necessary to make personality tests which will identify required characteristics of a person. Also this job does not suit people who cannot do the same monotonuos work every day, because it will not be productive, but on the country, it will influence the mood and metal health of an individual in a bad way.

According to Deming, management system should be focused on creating a work environment that would allow people to take pride in their work by letting them contribute fully. So many workplaces waste the abilities of people and in doing so ruin them and create organizations that are ineffective. Consequently, the author suggests having more individual approach to each experienced worker. It is important to define strengths and weaknesses of employees to find right position for them, where they will fully contribute to a company success.

There are different games where dealers can operate. Surely, each game has its specifics, and different requirements of skills and knowledge. For different games, there are special workshops provided to get knowledge of the specifics of the game. Some people can better perform in one particular game, than in others. That is why, individual approach is also important.

Conclusion

The research has been done and all goals of the project have been achieved. As a chosen company already is successful and profitable, a lot of attention and efforts are put on personnel training and development. Evolution Gaming has a great strategy how to teach newcomer, however nothing can be perfect and there is always place for improvement. It is vital to understand that in a big company it is always hard to find an individual approach, especially when there is a big flow of workers. The author suggests paying more attention on hiring the personnel, to specify the personal qualities in order to avoid further misunderstandings and also to decrease staff turnover.

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FUNCTION EVENT MENU PLANNING: FOOD VARIETY, DIET QUALITY AND TIME SCARCITY

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Abstract. This work aims at searching and evaluating different function menus in Riga. In the priority there are more nutritious and healthy menus. Dietary restrictions have become very common, with many people now following strict gluten free, vegan or vegetarian diets. So, it is very important to be sure that the menu includes these restrictions and that the venue properly labels buffets and that their staff is well informed.The researcher will try to understand what an ideal balanced function menu should look like. The purpose of the article is to analyse literature and examples of the menus to create something new and universal. The theoretical value of the research is to offer people a much more creative, nutritious and healthy menu.

Keywords: functional menu, nutrition, diet, healthy

Introduction

Nowadays business conferences are becoming more popular and extensive in the hospitality industry. Business travellers work very hard and often forget to eat healthy, so one of the important tasks of the hotel is to provide a nutritious and as much as possible healthy lunch for the conference participants. The relevance of this work is that many hotels do not pay enough attention to the process of creating a functional menu. Maybe it's because of lack of information and knowledge. The purpose of this work is to create a well-balanced menu for 1 day conference attendees, including coffee breaks and lunch. While the objectives are the following: to review the literature of menu planning, to review and analyze at least 3 different hotel menu offers in Riga, to create well-balanced menu and timing based on the best examples. The hypothesis of this work is that the ideal well-balanced function menu should consist not only of nutritious and healthy dishes, but also of small exercises and the presence of fresh air in the room. The method of analysis of theoretical information and examples of the largest Riga hotels is used in the work.

Literature Review

When creating conference menu everyone should know that developing the right menu for function event can make or break the attendees' experience. Ensuring that they are well fed will help to maintain their energy and keep their focus on the experience, rather than being distracted by the grumbling in their stomachs (Gordon-Devis, Van Rensburg, 2008).
First of all, of course, it is necessary to understand the needs of the attendees. Every event is different and the expectations of the attendees will also differ. When creating a menu it is necessary to think about a typical attendee and what their expectations will be. It is important to always offer a hearty and healthy meal to satisfy appetites of attendees, as hungry they are not as likely to be engaged. Considering the schedule for the event is also very important. Event schedule needs to be considered before planning the menu, because it will depend on choice of dishes or snacks if it is a coffee break (Conference food and beverage planning tips, 2017), (Plan a catered event menu that will impress your guests, 2013). It is also necessary to

add some creativity when planning a menu. Ordinary dishes, like ceasar salad, tomato soup or simple sandwiches will not be remembered by attendees. But if there are any seasonal or extraordinary dishes, which they have never tried, attendees will appreciate the unique solutions the organizers present to them and the chef will likely be excited to try some new ideas. It is important also to keep in mind that creating custom menus can often increase the price of the meal. Dietary restrictions have become very common, with many people now following strict gluten free, vegan or vegetarian diets. So, it is very important to be sure that the menu includes these restrictions and that the venue properly labels buffets and that their staff is well informed. It is necessary to always include a vegetarian/vegan passed appetizers, so that anyone did not stay hungry at the event. The goal should be to make eating for those with dietary restrictions easy (Creating the menu for your event, 2012).

Of course, each event is a unique occasion for a hotel, requiring an individual creative approach. It can be serious conference, book presentation, family celebration, etc. It's important to make a menu based on the type of event, budget, duration, seasonality. In many cases, new dishes are being developed, and sometimes a whole menu should be transferred to thematic events. However, this does not mean that customer will be limited to the menu that the manager will give.

"Restaurant brands are responding to consumer demands for fresh and healthy alternatives. In fact, nearly 70 percent of restaurants now offer a low-fat or "healthy" menu, according to Fast Casual's State of the Industry 2015 Report. Beyond menu innovations restaurants are now advocating for good food and healthy living, leading to growth of new concepts that cater to this health minded consumer" (Gerdeman, 2017). The concept of healthy eating is, first of all, a balanced menu for every day, a complex of healthy foods containing all the necessary vitamin and microelements. In many hotels there are two types of menus to choose from - Classic and Healthy. Everyone is free to choose what to eat. But a healthy menu does not mean that you will be fed only with raw vegetables and fruits. Often, a healthy menu contains all of the same products, but in a slightly different interpretation. For example, everything is steamed or with using eco-products. In the form of a snack a platter of fruits and nuts comes, in the form of drinks - freshly squeezed juices or smoothies, and in the form of dessert - low-calorie desserts from fruits or low-fat yoghurt.

Analysis of Different Hotel Menus

1. *Radisson Blu Latvija Conference & Spa Hotel*

Radisson Blu Latvija Conference & Spa Hotel is the biggest hotel, which specifies on business conferences and meetings, so service and food there for sure will be on highest level. Menu consists of big amount of nutritious food (oat, meat, beans, fruits) and they also have a concept called Experience Meetings. This concept offers all the right ingredients for successful events, including the award-winning Brain Food program. Specifically designed to increase efficiency, concentration and mental performance and to reduce stress, Brain Food uses the right foods in the right quantities at the right time. Hotel offers a selection of Brain Food while also focusing on individual needs of every customer.

The 6 Brain Food principles are:
- Focus on taste that satisfies the senses
- Less meat and always a maximum 10% fat content
- Lots of fish, whole grain products, fruit and vegetables
- Natural sweeteners and never more than 10% added sugar
- Primarily fresh, locally sourced ingredients
- Pure ingredients with minimal industrial processing (About Blu, 2014).

2. Semarah Hotel Lielupe

Semarah Hotel Lielupe does not have any special, healthy menu for conferences, but nevertheless in the offered menu healthy salads with a lot of greens and vegetables prevail, as well as steamed fish dishes, a minimum amount of roasted meat or other not very healthy food, mostly vegetables and fish. Semarah Hotel also offers a lot of traditional and seasonal dishes, for example autumn menu consists of mushroom soup, rabbit meat with celery, potato pancakes with steamed salmon and cowberry sauce, pumpkin pie with mint ice cream ets.

3. Pullman Hotels and Resorts

The Pullman Riga Old Town hotel provides everything a business traveler can require. The menu can be "adjusted" to any customer, taking into account any taste preferences. Menu is very specific and extraordinary, with different additions and unusual decorations. Beside this, separate dining room for conference participants is very modern and well decorated with different types of lighting and brick furnishing, which looks very modern and tasteful. There is a bar with a wide choice of bottled water, Tea Deli, a selection of fruits, business lunches, and a buffet of buffet meals. Pullman serves dishes in a separate restaurant area and in the meeting room. In addition, customer can pick up wines from the Pullman wine cellar (Pullman for meeting and events, 2015).

4. Baltic Beach Hotel Jurmala

A wide choice of banquet halls, restaurants and entertainment, high level of service and unique location is an excellent combination for holding corporate events in Baltic Beach Hotel Jurmala. Hotel provides width choice of different coffee-break menu and dinner menu, among them there is also a special coffee-break menu called "Meet Healthy", including dishes based only on healthy products and ingredients, for example, freshly squeezed grapefruit juice, muesli bars, pumpkin cookies, different smoothies and so on. In addition, their health concept includes full lesson with exercises for raising energy and productiveness of conference participants (Baltic Beach Conferences and meetings, 2013).

5. Rixwell Elephant Hotel

A cozy and warm restaurant at the hotel "Elefant" offers a variety of dishes of modern Latvian and European cuisine. The extensive bar menu offers a wide selection of cocktails, wines, teas, coffees and light snacks. The restaurant tells the story of the modern approach to cooking, where special attention is paid to the observance of high standards and careful selection of local ingredients. Here, comfort and warmth merge with modernity, and traditional cuisine - with fresh ideas and inspiration. Fine dishes of modern cuisine and wonderful Latvian beer are served in the restaurant every day. Menu considers all types of dishes, juicy and hearty meat dishes, fish dishes, freshly prepared green salads, traditional Latvian dishes, fruits and vegetables, pancakes with filling and Latvian bread, assortment of cheeses and vegetarian/gluten-free dishes as well. For conference lunch/dinner offers they have 5 full set menu - pork, fish, beef, chicken and vegetarian, which consists of one starter (soup or salad), one main course, one dessert, tea, coffee, bread and butter (Reastaurant Rixwell Elefant, 2012).

Methodology

In the given research the following methods have been used: data collection, data analysis, comparison and deducting conclusions.

Results

Having studied the proposed functional menus in Riga, it has become clear that there is a poorly developed concept of a healthy menus. Only 2 out of 5 hotels offer something special, and this is Radisson Blu Latvija Conference & Spa Hotel with the concept «Experience meetings» and Baltic Beach Hotel Jurmala with the concept «Meet Healthy». In the rest, each of the hotels offers a huge variety of dishes, including even vegetarian. And each of the hotels offers the opportunity to adjust the menu, if necessary.

Conclusion

Planning and organizing functional menu is as important for the event as any another integral part of the organization. The menu should correspond to the type of event and to take into account many criterias, such as event schedule, gender and age criteria, special preferences of a particular nation, etc. It should also take into account that healthy eating nowadays is becoming more and more popular. The introduction of new interesting concepts in the function menu can be an excelent step up for the promotion of hotel services. Guests will always appreciate something new, interesting and unexplored, and will definitely return to the hotel again and again for new impressions. The availability of vegetarian and gluten-free meals will also be considered a big advantage among competitors, because it is very important that every participant of the event remains satisfied.

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QUALITY OF CUSTOMER SERVICE IN LATVIA

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Abstract. Nowadays people are very busy with their work, relationships, study and other things. A lot of them prioritize quantity of food, others prefer quality. They compare prices, look how fast they will get their product, and how much they can buy for a certain amount of money, others look at the quality of food they are eating, and they don't pay attention to the money or time spent on this, but they also can pay attention to the quality of customer service. However, there are people, who try to combine their time, quality of food and affordable prices. Therefore, now we have a big variation of fast food restaurants. Customers, which choose fast food, expect fast service with affordable prices and at least friendly attitude. Even so, we can face rudeness and bad attitude to the customer. Does it happen only because of bad staff attitude, or there can be other reasons? Does it depend on how much staff is trained or how old the employer is? Or bad attitude to the client means unfair attitude of the client to the staff? All this can affect the customer service and as a result - the customer satisfaction of the meal. In this research author will find out and explain what affects customer service, review customer service in Latvia by using information and analyzing feedback on the Internet and from personal observation.

Keywords: restaurant, restaurant concept, quality, customer service

Introduction

People like to spend their time on themselves, going to the SPA, eating in an expensive restaurants, buying expensive clothes, etc. However, for this they need money and free time, and to get it they work and study hard and sometimes they don't have time or money to go to the restaurant for lunch or break. In this case they search for fast and good alternatives, which are fast food restaurants.

Nowadays, food industry is growing up and every year new restaurants are being opened. The fast food industry has become more popular, because of the fast service and minimum connection with client. Moreover, clients now are using apps on their mobile phones and don't need to speak a lot with the workers. This factor has started to affect customer service, and it falls down, because people don't know how to act with each other and their attitude is prejudiced from the beginning.

Literature Review

Today there are many different types of restaurants, from fast food to family casual. Here is a brief overview of some of the more popular restaurant concepts.

Fast Casual Dining is one of the biggest trends right now. Fast casual is slightly more upscale than fast food. Fast-casual restaurants offer disposable dishes and flatware, but their food tends to be presented as more upscale, such as gourmet breads and organic ingredients. Open kitchens are popular with fast casual chains, where customers can see their food being prepared (Mealey, 2016).

Café is a restaurant that does not offer table service. Customers order their food from a counter and serve themselves. A café menu traditionally offers things such as coffee, espresso, pastries, and sandwiches. Outdoor seating is another trademark of a café. The term bistro is sometimes interchanged with café. A bistro is actually a café that offers full meals (albeit, cheaper than a full-fledged sit-down restaurant).

Pub is short for Public House, pubs date back hundreds of years to Europe, especially Great Britain. Pubs have a timeless appeal, for their laid back atmosphere. Brewpubs offer beer made in-house, as well as a wide selection of other beers and ales. Pubs can offer full menus, as well as appetizers. Many casual style restaurants have a separate pub side to their establishment.

Casual Style Dining is also known as family style dining in the United States. Casual style restaurants offer moderately priced entrees. Casual style restaurants offer table side service, non-disposable dishes, while still keeping the menu moderately priced.

Just as the name implies, fine dining is used to describe a much more upscale restaurant, one that offers diners an elegant atmosphere with high-quality service (Mealey, 2016).

The chefs in fine dining restaurants are usually professionally trained, and the food is fairly expensive, but worth it. Another hugely popular restaurant concept is food trucks. These mobile eateries are popular for a variety of reasons: they have low start-up costs, low labor costs, and little overhead. Starting own food truck still requires many of the same steps as opening a new restaurant.

Fast food is the most familiar restaurant to most people. Fast foods are characterized as quick, easily accessible and cheap alternatives to home-cooked meals, according to the National Institutes of Health (NIH). They also tend to be high in saturated fat, sugar, salt and calories. According to the NIH, many fast food chains have responded to growing public awareness about nutrition by offering some food that is lower in fat and calories than their normal fare. Chains like McDonalds and Burger King became popular in the 1950s, and helped spawn countless other concepts like Taco Bell, KFC, and In&Out Burger. Fast food service attracted customers for its speed and convenience (Mealey, 2016).

Fast Food in Latvia

Speaking about Latvia, Riga has a lot of fast food options, starting from ordinary fast food with burgers and french-fries, and finishing with Chinese restaurants. The list of the most popular fast food restaurants in Latvia is presented in Table 1.

This list is much bigger, with different varieties of food, drinks, atmosphere, decorations, location and other aspects. Therefore, in Latvia and in Riga generally there are many more fast food restaurants.

The majority of the fast food restaurants are located in Riga, because it is the capital city of Latvia and this city is most visited by the tourists and citizens. Also, as in all capital cities people are always in a hurry, so they choose more fast options in the food. Moreover, in summer food and beverage places earn more, because of the bigger amount of tourist. Therefore, they hire more staff, and in their majority these are students who have not so much time to learn how to serve the guests. In this case, customer service goes down, because employer aims at the quantity not the quality.

Table 1. The list of the most popular fast food restaurants in Latvia

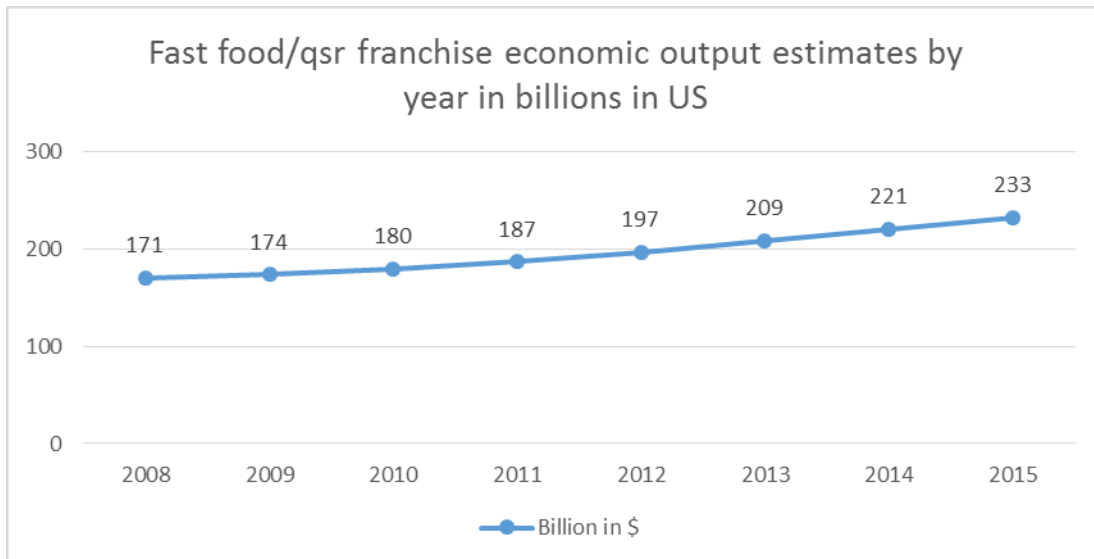|	
6. Mc'Donatds	22. Bubble Waffle
7. Hesburger	23. Misters Panda
8. Wok to walk	24. Martina Bekereja
9. Turkebab	25. China Garden Restaurant
10. Subway	26. Charlie Pizza Lulu Pizza
11. KFC	27. CanCan Pizza
12. Woki Toki	28. Cilija Pizza
13. Pakistanas Kebabs	29. Ze Donats
14. Cili Pica	30. TGI Friday's
15. Ghetto Burger	31. Picas meistars
16. Crazy Donuts	32. Grila Burgers
17. B Burgers	33. Terra Restorani
18. Big Bad Bagels	34. Pelmeni XL
19. FoodBox	35. Fontaine Delisnack
20. Pizza Italia	36. CITY WOKS
21. Street Burgers	37. Pizzatime

According to the National Restaurant Association, teens represented 21% of the industry's workforce in 2007. By 2014, it had dropped to under 17%. Conversely, food service employment for workers aged 20-24 rose to 24% in 2014 versus 21% in 2007. The amount of workers in restaurants between the ages of 25 and 34 rose less than percentage point in the same time period (23.1% to 23.7%) In general fast food restaurants take 61% in distribution of food franchise establishment (Fig.1), so it explains, why it is the most popular part of this segment (Bailey, 2015).

Fortunately, because eating is a necessity, food franchises will always have a well-funded place. For 2015, food-related franchises (quick service restaurants, full service restaurants and retail food) are estimated to account for an estimated $341 billion of economic output in United States (Fig.2). In addition, franchises in these categories account for 33% of all franchise establishments in the U.S. Food franchises directly employ almost 5 million people, which is 56% of direct franchise employment, according to IHS Global Insight (Bailey, 2015).

DISTRIBUTION OF FOOD FRANCHISE ESTABLISHMENTS

- Fsst food
- Full service restaurant
- Retail food

24%

15%

61%

Fig. 1. Distribution of food franchise establishments (Bailey, R. 2015)

Fast food/qsr franchise economic output estimates by year in billions in US

300

200

100

0

171   174   180   187   197   209   221   233

2008   2009   2010   2011   2012   2013   2014   2015

— Billion in $

Fig. 2. Fast food franchise economic output estimates by year in billions in US (Bailey, R. 2015)

Speaking about the Latvian situation Latvian Startup association has calculated that somehow alive stores should generate at least 50 000 EUR per year in turnover (that is 4150 EUR monthly).

In 2016 in Latvia there were 650 companies with at least 50 000 EUR in yearly turnover and 20–25% of them are registered in platform. This number is very close for Lithuanian and Estonian markets (Burnins, 2017).

Table 2. TOP 10 companies by turnover in Latvian restaurant market

	Category	Brand	Locations	Trunover (2015 year), EUR
1	Casual dining	LIDO	13	36754248
2	Fast Food	McDonald's	12	30971719
3	Casual dining	Lage/GanBei etc.	15	17017680
4	Fast Food	Hesburger	44	15983659
5	Casual dining	Baltic Restaurants (Daily)	~200	11689058
6	Casual dining	Tokyo City	4	7809846
7	Fast Food	Čili Pica	14	7460953
8	Fast Food	Čili Pica reģioni	9	5869369
9	Fast Food	LuLu Pica	7	5263550
10	Casual dining	Vairāk Saules	5	5180743

Table 2 shows that the most profitable are casual dining restaurants and fast food restaurants. They provide the biggest turnover and 50% of them are fast food chains. In average one non-chain, non-franchise location in casual dining/fast food segment generates from 7 000 to 15 000 EUR in monthly turnover. In opposite, one chain or franchise location in casual dining/fast food segment generates from 35 000 to 70 000 EUR in monthly turnover. Therefore, situation with fast food in Latvia is quite good (Burnins, 2017).

Customer Service in Fast Food Restaurants in Latvia

If to analyze customer service in fast food restaurant industry one can claim that every client has his/her own vision of good service, which encompasses three factors: politeness, friendliness and how fast the order is done.

So, first of all, what is customer service? Customer service is creating a great experience for the customer so that they will repeat to this restaurant. Customer service is about knowing the details of customers. Customer service is about going above and beyond for them. Without customers business can't work (The Brunache Group, 2015).

How does customer service look like in our life? It seems like it's not important these days. Going to the fast food restaurants one clashes with indifferent attitude and rushed service. Very often customers feel as if the employees do a favor just by serving them. Below, as an example, there is one feedback about the customer service in the KFC: *"Went here to eat with my family and got quite poor service. We had to ask for them to take our order and they didn't smile in any point, over all we didn't feel welcome to this place. Food was quite basic KFC, but they had problems with their equipment and they didn't have e.g. shakes at all. In case you want just something to eat, this place is okay to visit. But if you want to enjoy your food and the whole experience, then pass this place!"* (Markus, 2017)

Most of the time, this attitude is shown by the teenagers, who work there because of despair, because of lack of working places for students. They haven't got any special knowledge of serving guests, just from trainings (if there were any) on their working place. Rude staff is a problem of the employer, because it is a lack of training program, maybe they are taught how to serve clients fast, but they are not taught about the norms of attitude to the customer.

Nowadays it is very easy to ruin the reputation of the restaurant. With the rise of social media and cell phones, restaurants cannot hide bad customer service. Just one tweet, picture or video away on being on social media can ruin all business. It's so important that entrepreneurs and

businesses took into consideration that "The customer is always right!" and always reminded their staff this statement.

However, good feedback can also be found, sometimes because customer expectation level is very low. Here is an example of good service in Subway: *"Staff were insanely friendly, they made like my perfect sandwich, after I ate it they even asked how much I enjoyed it"* (Matiss, 2017).

However, not everything depends on staff, and clients should remember about their own behavioral standards. Sometimes bad attitude of staff is a reaction to the customer's bad attitude. Some customers forget, that workers are also human beings, or that they are the same students or teenagers, trying to earn some money. Often it's easy to spot an angry customer at a fast food outlet or department store railing at the employees about something they did "wrong". Of course, employees should be friendly, polite with customers, serve them fast and not to forget to smile, but customers in their turn should not forget, that employees are people, they have feelings and they can make mistakes.

Methodology

The research method is qualitative. The data have been analyzed from different sources, customer feedback has been collected from one of the most popular website "TripAdvisor". Analyzing the feedback, the author has found, that there are a lot of good comments about the food and price, but not so much information about the customer service. Sometimes people write about it, when service is too good or just too bad. It happens, when customer expectation is too low or too high, according to the previous experience. Analyzing only this feedback, it is seen that 5% of people write about their bad experience (Fig.3).

Fig. 3. People good and bad experience feedbacks

Most customers want to share either bad or very good experience. It happens because people don't want to waste their time leaving a feedback, exactly if their expectation and reality are the same. Therefore, 94% of people refrain from leaving feedback on the Internet.

Results

As the industry of fast food is growing up, people become more interested in fast service and hearty food. Now we can find a big variety of fast food, not just unhealthy burgers, but also

vegetarian food, with natural meat, low contents of fat, etc. First of all, people look at the brand, food type and then at the customer service. Customer service depends not only on staff, but also on customer attitude to the staff. It also depends on the previous experience of the client and nationality of client and worker. All these factors can influence the clients and form their impressions.

Conclusion

Each year number of fast food establishments is growing; variety of food outlets, from ordinary McDonald's to unknown Chinese restaurants can be found. It gives more opportunities for the employment, exactly in Riga, because of the big amount of fast food services. Actually, people can earn good money in fast food business. Furthermore, customer service in fast food restaurant can be not at a very good level, because of teenagers, hired by employers. They are not well trained, too emotional and unrestrained, that damages the customer service. However, it depends not only on staff but also on customers. Of course, customers are always right, but they need to show their respect to the staff too. If they don't do this, very often they get what they deserve. Moreover, one more fact, which affects customer service is where the country is located and what types of people live there. Latvia is a cold country, with not so many sunny days, therefore Latvians are always unhappy and reserved people, in comparison with the Spanish, for example. That's why customer service in Spain and in Latvia is so different.

Fast food restaurants must find ways to improve their customer service, make more trainings, and teach staff how to be friendly and polite with customers. And customers should remember, that employers are people too and that sometimes they can make mistakes.

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FOOD MILES AND CLIMATE CHANGE: FUTURE PERSPECTIVES

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Abstract. Nowadays the increasing concerns about climate change have brought attention of people. Many solutions how people can minimize this change have been created by scientists. As food production and serving is part of Hospitality Industry, professionals should be aware of how their actions affect climate. Food miles is a problem that can be diminished by total localization, however food miles are not the only, and not the biggest contributor to climate change in food industry. Deforestation, use of fertilizers and growing livestock are far bigger issues. In creation of this research report, theoretical materials have been studied and discussed as well as qualitative research method has been used for methodological part. 30 people have been interviewed to find out their awareness of the problem. The main result of this paper is analysis of the food miles impact on climate change compared to other food production industry actions, with optional suggestions provided.

Keywords: food miles, climate change, greenhouse gases, sustainability

Introduction

Nowadays climate change is mainly caused by mankind as since the mid-1800s, scientists have known that CO_2 is one of the main greenhouse gases of importance to Earth's energy balance. Direct (Intergovernmental Panel on Climate Change, 2014) measurements of CO_2 in the atmosphere and in air trapped in ice show that atmospheric CO_2 increased by about 40% from 1800 to 2012 (IPCC, 2014). Therefore actions must be taken to either slow down this process or even stop it.

Food miles is a term used to describe the distance food is transported from the time of its production until it reaches the consumer. Food miles are also one factor used when assessing the environmental impact of food, including the impact on global warming (Engelhaupt, 2008).

However, lately the concept of "food miles" has been criticized, and food miles are not always correlated with the actual environmental impact of food production (Weber, Matthews, 2008). People are not aware enough of how food production impacts climate and how to minimize it, therefore appropriate guidelines and suggestions should be developed.

The aim of the research is to explore how food production, and especially food-miles, contribute to climate change and what people can do to minimize its impact.

Hypothesis of this research paper is: just localization and reduction of food miles cannot significantly affect climate change.

Scientific journal articles and scientific reports have mainly been used for this research.

Literature Review

With growing public concern over climate change, information and opportunities for consumers to lower their "carbon footprint", a measure of the total consumer responsibility for greenhouse gas emissions, have become increasingly available. The growing field of sustainable consumption (Hertwich, 2005) has offered information to consumers on the climate and environmental impacts of their consumptive choices. In general, much of this research has concluded that food, home energy, and transportation together form a large share of most consumers' personal impacts (Tukker, Jansen, 2006). Of these three, food represents a unique opportunity for consumers to lower their personal impacts due to its high impact, high degree of personal choice, and a lack of long-term "lock-in" effects which limit consumers' day-to-day choices (Hertwich, 2005). The focus on increased food-miles due to increased international trade in food has led many environmental advocates, retailers, and others to urge a "localization" of the global food supply network (Jones, 2002), though many have questioned the legitimacy of this because of different production practices in different regions or the increased storage needed to "buy locally" through all seasons (Smith, 2005; Sim *et al*., 2007). Other advocates, pointing to research on the environmental effects of livestock production (Steinfeld *et al*., 2006), have urged consumers to shift dietary habits toward vegetable-based diets (Eshel, Martin, 2006).

Food miles are defined as the distance that food travels from the field to the grocery store ("Organic Food Miles", 2007). But consumers also contribute to the food-miles problem. Car use for buying food in towns has risen by 27% since 1992 (Lang, 2005). To obtain the average food miles a certain food item travels from all sources to reach a certain city or community, it is necessary to calculate a Weighted Average Source Distance (WASD). The WASD from production source to consumption endpoint is a single distance figure that combines information on distances from producers to consumers and the amount of food product transported. (Carlsson-Kanyama, 1997). "Weighted average source points and distances for consumption origin-tools for environmental impact analysis." (Pirog *et al*., 2005)

The formula for the WASD is:

$$WASD = \frac{\sum (m(k) * d(k))}{\sum m(k)}$$

where:

        k = different locations of the production origin;

        m = amount consumed from each location of consumption origin;

        d = distances from the locations of production origin to the point of consumption.

The average number of miles that our food travels has doubled in 30 years. (Smith et al., 2005). Nowadays the average food miles for product (considering all ingredients and packaging) is 4000km. (Tooma, 2011).

The problem with food miles is the not the miles itself, it is the CO_2 that is emitted during transportation. And those depending on the distance, type of transport used (Fig.1), how much

the field has been technically cultivated and by what kind of equipment and whether the average consumer drives to the shop to buy this product or not (Smith, 2005).

	MJ/t-km	t CO_2e/t-km $\times 10^6$	source
inland water	0.3	21	(23)
rail	0.3	18	(23)
truck	2.7	180	(23)
air[a]	10.0	680[a]	(25)
oil pipeline	0.2	16	(23,24)
gas pipeline	1.7	180	(23,24)
int. air[a]	10.0	680[a]	(25)
int. water container	0.2	14	(26)
int. water bulk	0.2	11	(26)
int. water tanker	0.1	7	(26)

CO2 emissions were used as an indicator for the radiative forcing effects of aviation, which are actually higher than just CO2 emissions

Fig.1. Energy and greenhouse gas emissions per ton-km for different modes of transport
(Source: Sausen, *et al*., 2005)

In food production and transportation there are mainly four types of greenhouse gases that occur and that are affecting climate change - CO2, CH4, N2O and chlorofluorocarbons (CFC). CO2 is created by burning fossil fuel which is used in agriculture, as well as transportation of the goods. CH4 is created by breeding farm animals as well as rotting food in landfill and it retains heat of the Earth 23 times better than CO2. N2O retains the heat of the Earth 200 times better than CO2, and is created by using nitrogen mineral fertilizers (Vides vēstis, 2011).

Food-miles are noticeable yet not the most significant contributor to climate change. Growing crops and rearing livestock have the largest impact on climate change of all the parts of the food system. If clearing forest to create farmland is included, agriculture is estimated to be responsible for nearly a third of global greenhouse gas emissions (Food and Agriculture Organization of the United Nations, 2003).

The food industry also causes indirect greenhouse gas emissions. Most importantly it is the primary cause of global deforestation which is responsible for more emissions than all transport worldwide. Apart from deforestation, the biggest causes of agricultural greenhouse gas emissions are the use of fertilizers (38%) and rearing livestock (31%), in the form of methane and nitrous oxide (Stern, 2005).

Meat and dairy production has a huge impact on climate change. It is estimated to be responsible for 18% of global emissions. There are three main reasons for this - firstly, it is a major driver of deforestation to create pasture and to grow feed; secondly, huge amounts of fertilizer is used to grow the animal feed; and lastly, the animals themselves release high levels of greenhouse gases by enteric fermentation - i.e. belching and passing wind. A study at the University of Chicago compared the energy consumption associated with animal-based diets versus plant-based diets and found that consuming a typical American diet of both animals and plants results in 1,485 kg more CO2 than a diet based on plant sources only (Food and Agriculture Organization of the United Nations, 2006).

Even with the unrealistic assumption of zero food-miles, only relatively small shifts in the average household diet could achieve Greenhouse gas reductions like that of localization. For instance, only 21-24% reduction in red meat consumption, shifted to chicken, fish, or an average vegetarian diet lacking dairy, would achieve the same reduction as total localization. Large reductions are more difficult in shifting away from only dairy products (at least on a calorie basis) but making some shifts in both red meat and dairy, on the order of 13-15% of expenditure or 11-19% of calories, would achieve the same Greenhouse gas reduction as total localization (Weber, Matthews, 2008).

This demonstrates that the production and distribution of food has long been known to be a major source of greenhouse gases and other environmental emissions, and, for many reasons, it is seen by many environmental advocates as one of the major ways concerned consumers can reduce their "carbon footprints". Proponents of localization, animal welfare, organic food, and many other interest groups have made claims on the best way for concerned consumers to reduce the impacts of their food consumption. The results of this analysis show that for the average American household, "buying local" could achieve, at maximum, around a 4-5% reduction in greenhouse gases emissions due to large sources of both CO2 and non-CO2 emissions in the production of food. Shifting less than 1 day per week's (i.e., 1/7 of total calories) consumption of red meat and/or dairy to other protein sources or a vegetable based diet could have the same climate impact as buying all household food from local providers. We estimate the average household's climate impacts related to food to be around 8.1 t CO2emissions/year (e/yr), with delivery "food-miles" accounting for around 0.4 t CO2e/yr and total freight accounting for 0.9 t CO2e/yr. To put these figures into perspective, driving a 25 miles/gallon (9.4 L/100 km) automobile 12 000 miles per year (19 000 km/yr) produces around 4.4 t CO2 per year (Weber, Matthews, 2008).

Expressed in this manner, a totally "localized" diet reduces greenhouse gases emissions per household equivalent to 1000 miles/year (yr) (1600 km/yr) driven, while shifting just one day per week's calories from red meat and dairy to chicken/fish/eggs or a vegetable-based diet reduces greenhouse gases emissions equivalent to 760 miles/yr (1230 km/yr) or 1160 miles/yr (1860 km/yr), respectively. Shifting totally away from red meat and dairy toward chicken/fish/eggs or a vegetable-based diet reduces greenhouse gases emissions equivalent to 5340 mi/yr (8590 km/yr) or 8100 mi/yr (13 000 km/yr), respectively. Which of these options is easier or more effective for each climate-concerned household depends on a variety of factors, though given the difficulty in sourcing all food locally; shifting diet for less than one day per week may be more feasible (Weber, Matthews, 2008).

Methodology

To identify knowledge and awareness of food production and its impact on climate change, qualitative research method has been used and questionnaire has been carried out with several questions (Table 1).

Table 1. Questionnaire

Questionnaire	YES/NO
1. Do you usually (more than 60% of time) choose local production?	
2. Do you know what food miles are?	
3. To your mind, are food miles influencing climate?	
4. When choosing food, do you pay attention how it can affect climate?	
5. Which of these, to your mind, impact climate the most? (circle)	
a) chemicals on the fields	
b) food miles	
c) deforestation to gain fields	
d) agriculture and buying/consuming dairy and red meat	
6. If you had to choose between eating only 100% local OR reducing 13-15% of expenditure from red meat and dairy, what would you choose? (write "local" or "red meat and dairy")	

Questionnaire was filled by 30 respondents aged 17-35. 60% of them were aged 17-22. 70% (21 people) of respondents were students, 20% (6 people) employed and 10% (3 people) neither working, nor studying.

Results

In the result of the survey it has been found out that 80% of respondents (24 persons) usually (more than 60% of time) choose local products. 70% (21 persons) know what food miles are. After this question, brief description was given to the respondents. 100% of them (30 persons) think food miles are influencing climate. However, when choosing food only 30% (9 persons) pay attention how it can affect climate. 60% (18 people) think that deforestation is the main problem, 30% (9 persons) that food miles, 6.65% (2 persons) believe chemicals on the fields affect climate and only 3.35% (1 person) states that agriculture and consumption of dairy and red meat could contribute to climate change. Answering the last question, 90% (27 persons) of people wrote they would rather reduce their red meat and dairy expenditure by 13-15% than opt for 100% usage of local products.

The answers of the respondents in questionnaire show that people understand what food miles are and that they affect climate. They are also aware of the need to shop locally; however, concerns about climate are not that significant to affect their food choices. That might signify that they opt for local products for other reasons, such as supporting local economy or local farmers and having more trust in them than in foreign production, etc. Questionnaire shows that people are well-informed that deforestation is the main cause of climate change, however they lack understanding how agriculture and consumption of dairy and meat produce can contribute to the climate change, as well as use of fertilizers and they highly overestimate the impact of food-miles. The fact that majority would rather reduce consumption of red meat and dairy than preferring local products could signify, for example, their love of international cuisines or exotic products and fruits.

Conclusion

Research results show that people are not fully aware of how food production impacts climate and how to minimize it.

In this case, guidelines with different options, and explanation how and by how many percent their actions would minimize climate change, could be beneficial.

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TRADITIONAL FOOD PRODUCTION AND POPULARITY IN RIGA RESTAURANTS

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Abstract. In research project author is discussing how restaurants in Riga are using local/national products, dishes, in their menus and with interview help research if the local dishes are popular in Riga's restaurants for tourists as well as for local citizens. Author is comparing five different restaurants in Riga, all of which are from the list "Best restaurant in Latvia 2016". Menus are different in each restaurant, but some similarities can be found in all of them. To find out what popular traditional products in Riga's restaurants are, author first researches what Latvian national food is. Answer has been found in books, as well as from interviews with selected restaurants waiters to know if really people tend to choose more local food from wide selection in menus or order traditional international courses.

Key words: Traditional/ local food, Riga's restaurants

Introduction

In Latvia, there are a lot of local farmers who grow high quality biological products, like meat and vegetables. The aim of this research is to find out if there are restaurants which prefer to choose a little expensive, but local ingredients or just choose easiest, cheapest way of ordering food ingredients from, for example, Poland. Author of this research project will explore if there are local, Latvian products in the Riga's popular restaurants menus. Therefore, the hypotheses is that in most of the courses there will be traditional ingredients, which are also grown in local biological farms.

The second thing which author wants to study is whether the costumers also prefer to order courses made of local products. For this research author will interview waiters from selected restaurants to see the real statistics.

Literature Review

The goal is to research if the local production is popular and why tourists choose something already familiar to eat, but are not trying to enjoy countries' local dishes. One reason can be that prices for local dishes are higher, but the quality not necessarily as high as the price.

In Latvia there are four seasons, and there are four historic cultural regions in Latvia. They differ from each other with their history and their traditional way of life: with differences in feast day and everyday customs, distinct dialects and local cuisine, where the people of each region have their own way of preparing certain dishes.

Fields of rye, wheat, barley and oat are abundant in Latvian countryside and these cereals featured prominently in the peasant diet. There wear barley or groats porridges, milk-based soups with pearl barley or groats, barley buns and ray flour mousses, and other delicacies no longer known today. The farmers also cultivated milled and hemp, and grew peas and beans as well as beetroot and carrot.

Later, with the development of animal husbandry, the households could enjoy meat dishes as well, mainly pork. On festive occasions, there was poultry- chicken, duck, or goose.

The Latvians are not, as sometimes deemed "Baltic herring- eaters"- since the earliest times they have eaten approximately 25 different species of fish including salmon. Every self-respecting fisherman was sure to have slams smokers somewhere in the furthermost corner to the garden. Freshly smoked eel is a real delicacy, as is the Baltic herring. Latvia's inner smoked sprats are exported worldwide (Sēja, 2007).

Latvia's forest burst with berries and mushrooms each year, and this is important part of Latvian nutrition. Bilberry jam and cranberry gelatin are popular.

That which is considered "traditional" Latvian cuisine has not really changed very much. Latvia is still very much a meat-and-potatoes society with farm-grown vegetables playing an important role along with the catch of Baltic Sea and the country's lakes and rivers. Sour cream is present in countless recipes.

The Latvian capital city Riga is now home to dozens of restaurants in which the cuisines of other lands - France, Italy, Thailand, Korea, Russia and others are offered, and many Latvian cooks have thought out of the ingredients that are necessary to prepare foreign dishes at home (Sēja, 2007).

Methodology

Restaurants for analysis have been chosen from the list of *Best restaurants in Latvia 2016.* All restaurants are in top 30 list, that's why it is possible to compare them. Author has chosen five restaurants: Ferma, Forest, Kolonade, Vincents and the 36 line. To explore the offer of restaurants menus author has used web sites of each restaurant, where menus are available in different languages. Studying the menus author will see how wide is the offer of local dishes and how much restaurant chefs include local ingredients like vegetables, meat and fruit in each meal. Interviewing has been used to get information from waiters and restaurant managers to find out how popular local dishes are among tourists. To really get to know what traditional Latvian cuisine is, author went to Latvian national library to search for information from books. Author has found that there is enough literature about traditional cuisine, that's why it has been easy to understand, what products and dishes Latvian traditional cuisine include.

Results

First restaurant "Ferma" is one of the top restaurants in Riga, and they claim that they widely use local production, such as meat for steaks from local producers. For appetizers there are marinated herring with butter-roasted potatoes, herb quark and pickled small beets. It is difficult to find this kind of dish in other countries' menus, as it is popular only here in the Baltic States. And the price for this simple appetizer is too high 8, 70 Euros.

From soups "Ferma" offers Baltic fish soup with tomatoes and legumes, which is perfect seasonal dish for autumn, given that vegetables are from local gardens and fresh fish is from the Baltic Sea. But the price for this soup is again too high 9, 40 Euros, just for the soup. One more traditional soup with some minor alterations is cold avocado yogurt soup with quail's egg and radishes. In summer this soup is very popular, just instead of avocado Latvians use beetroot. This is a very nice dish for hot summer days and the price for it is 6, 90 Euros.

For the main courses, this restaurant offers really a lot of traditional meals, like: herb- crusted fried Baltic herring with mashed potatoes, spinach and onions. The ingredients for this course

are local, i.e. Baltic herring is one of Latvia's export products, and side dishes are local too. Price for this course is 10, 50 Euros.

Other main course where author has found local products is - lamb rump steak with baby vegetables, mashed potatoes, nut mint biscuit and broth sauce. This course, which is considered to be delicious (because of lamb), costs 21, 40 Euros.

Next restaurant which author will discuss is called "Forest". The restaurant is in Riga city center and it is known as seasonal restaurant.

First appetizer which has attracted attention of the author is again with Baltic herring-component, namely smoked herring fillets with white wine marinated red onions, whipped herb-horseradish cottage cheese, slow-cooked quails egg and torched potatoes. All ingredients are local and together make amazing flavor bouquet. For this local dish price is 7, 40 Euros.

Another seasonal autumn appetizer is "Beluga" lentil stew with tomato marmalade, vegetables and garlic butter with fried porcini mushrooms. One of the popular side dishes (autumn porcini mushrooms) also used in this dish adds to this vegetarian meal more traditional flavors. Price for this dish is 8, 60 Euros.

From the main courses offered in this restaurant author has decided to discuss sea trout fillet with "Beluga" lentil stew, white wine marinated fennel, beetroot puree and porcini mushroom-volute sauce. This dish is very similar to appetizer (only filet of trout is added) and costs 15, 80 Euros.

For the desserts "Forest" offers apple-brandy cream cake with white wine syrup-made rowan berries, chokeberries and chocolate sorbet. Both berries are very traditional for Latvia, are widely used in cooking, and author had seen that tourist usually do not know these berries and they are surprised that we, Latvians, use them for eating. The price for this dessert is 5, 90 Euros.

The third chosen restaurant, "Kolonade", is amazingly located near Latvia's National Opera house on one side, and old town on another.

Among appetizers they have lightly salted perch fillet, with dill cream cheese, pickled leek and rye bread terrine. Again, to make this course indeed traditional, the restaurant uses local fish for the dish served together with national dark rye bread. Price for this local taste is 7, 90 Euros. In their soup menu author has noticed Kolanade fish soup, for a very high price 12, 80 Euros, though given that it is rich not only in fish, but also in vegetables, and the taste is so rich, it is worth paying this money.

From the main courses interesting one seems to be breeds veal chop which is served with mixed mushrooms, lettuce and basil. This is a traditional dish which is prepared in each Latvian family on special occasion. The restaurant serves this food in unusual way to make it look interesting, with the price for this dish being 15, 90 Euros.

Next restaurant for analysis is "36 line", located in Jurmala, next to the Baltic Sea beach, which is a competitive advantage.

Appetizers list contains Baltic sushi that is lightly salted Baltic hearing fillet on mini potatoes with egg, fresh cucumber and creme fresh. Again, Baltic hearing is present in appetizer menu, with the price for this dish 6, 90 Euros.

Main course, a vegetarian dish, is Savoy cabbage rolls with chickpea filling in coconut, curry sauce, which is something local mixed with Eastern spices to make it more popular. This interesting mix costs 11 Euros. Next interesting meal is piglet shank with honey-mustard marinade, a traditional Latvian meat-pork, made in a different way to get more clients to buy it.

Last restaurant author has chosen for the research is the best restaurant in Latvia and Baltic States, "Vincents". A lot of people would say that this is Michelin star restaurant, but,

unfortunately, in Latvia there are no restaurants with such award, because this is too small a country. This restaurant is famous, because all menu is made to be seasonal, with every meal containing seasonal components. All ingredients are fresh and as much as possible used from local biological farms.

For appetizers restaurant offers Heirloom tomatoes served with aspic, Pontellier caper berries and local feta cheese from Madona. Almost every housewife for winter prepares tomatoes in aspic, which is traditional winter snack prepared like high class starter and the way how it is served is creative as well. Price for this simple dish with creativity is 15 Euros. For the main courses chef also uses local products, for example, for Grilled saddle of venison (from forests of Ventspils), served with porcini mushrooms, carrots, beets and red wine sauce. It seems to be food which everyone can prepare at home, but the amazing taste for the meat made on Jasper grill, where chef cooks on the real fire with local coal, makes it different and, of course, everything is served with local farmers' vegetables. This simple, but still rich flavored dish costs 32 Euros. Second interesting dish is Roast Segovian Suckling Pig, which is served together with Jerusalem artichokes and apple sauce. The pigs comes from Spain, where they have been growing for around 2 till 6 weeks and then they are served, that's why the names is Suckling Pig because it's very juicy and it is hard to get this pig (they are grown only in 40 farms all around the world). The emphasis in this course is pig, that's why the side dishes for this course are rather neutral, and the price is 39 Euros.

From telephone interviews, which author has had with all the chosen restaurant managers, it has become clear, that tourists and even local people prefer to choose local dishes, as well as side dishes which are seasonal are in top priority. For example, restaurant "Vincent"'s manager has confessed that most popular autumn ingredient seems to be porcini mushrooms, and a lot of tourists are almost 'crazy' about them and want to see them in each dish.

Conclusion

For this research author has interviewed waiters from selected restaurants to see customer's preferences of local vs. international food. In all these restaurants more than one traditional dish made of local ingredients can be found, which proves that hypothesis is confirmed. Author of the research has realized that in most Riga's restaurant menus Latvian seasonal products, like mushrooms, seasonal vegetables, etc. are used. In each restaurant's menu one can find fish caught in the Baltic Sea, for example Baltic herring, which is popular both in main courses and in starters. Dishes from pork are among Latvian traditional meals, especially for the main course. Therefore, a lot of local products are included in every restaurant's menu, which makes these restaurants more popular. Also during the interviews author has proved that local dishes are the most popular choice for both tourists and local citizens.

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EXTERNAL BUSINESS ENVIRONMENT: BARRIERS TOWARDS ACHIEVING SUSTAINABILITY AND BENEFITS OF BECOMING SUSTAINABLE BUSINESS IN RESTAURANT INDUSTRY

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Abstract. Nowadays, the sustainability issues and its development is in big concern for the whole civilization. The society is starting to be more conscious about things that have a huge impact on our environment. The sustainability issues and its development is being investigating closer through certain industries that have a huge impact not only on the environment, but also on the community as well. Sustainability focuses on renewable energies, climate change, water resource management, and other environmental issues, however it is essential to investigate how specific industry, for example, the restaurant industry, influences the economic, environmental, and social aspect of human live. The aim of this research is to find what makes some businesses develop and practice implementation of green vision in their operation and which barriers can be revealed during implementation of these practices.

Keywords: sustainability, environment, restaurant industry

Introduction

Restaurant industry is a huge industry having a huge impact on our environment. Review of the literature concerning development of sustainability in restaurant industry gives opportunity to estimate why some of the restaurants are implementing sustainable development and why some restaurants stay conventional and do not utilize this new development. Sustainability is the development that helps the restaurant establishments to achieve a certain sustainability aim. The purpose of this research is to identify whether the sustainable development in this particular industry offers competitive advantage to the enterprises in comparison to those that do not practice it. There are main sustainability issues that will be presented in this research, such as food throughput, energy consumption, waste production and water use. The survey has been carried out in the restaurants of two types: those that implement sustainable operations and those that might be regarded conventional restaurants. The aim of this survey is to investigate what the advantages of practicing sustainable operation are and why some of the restaurants do not apply this trend in their operations.

Another reason why the author has chosen to investigate this topic is that consumers are no longer satisfied with buying organic food in food stores or organic markets to consume them at home. A lot of consumers now require safe and healthy food when they eat outside of their home. Besides, mainly sustainable development concentrates on renewable energies, climate change, water resource management, and some other environmental issues, but it does not investigate the effect of a specific industry. Restaurants have huge economic, environmental, and social impacts, thus, to better understand sustainability concept, it is important to examine restaurant industry from this perspective.

Literature Review

Sustainability nowadays influences practically all aspect of human life. Steel (2008) states that "...our current industrialized economic system is embedded within a social and natural

system. The social system consists of people within society. We live in a consumer age where value is put on material possessions. The things we make and use depend on renewable and non-renewable resources. Some resources are inherently non-renewable such as fossil fuels and so will ultimately run out. Other resources such as wood and fish are dependent on our rate of usage and can be sustained if they are allowed to replenish themselves. However, the process of extracting and using resources to make things, creates waste, which in turn puts pressure on the social and natural system. Emissions of carbon dioxide and other greenhouse gases into the atmosphere contribute to climate change, requiring radical changes to our social and economic systems to reduce these emissions significantly. We are looking at reaching a population of nine billion by 2050 but only have one planet to live on. Over half the world's inhabitants live in cities, which use up seventy-five percent of the earth's resources" (Steel, 2008; Welter, 2012). What is more, Green practices "...offer more than an opportunity to be kind to Mother Earth. Green practices can actually save you money and resources" (restaurantowner.com, 2017).

Bruntland (1987) states that restaurant industry has a huge impact on our environment and implementing a sustainable practice into restaurant operation will be beneficial, as it will contribute to better use of natural recourses of the earth and also to wellbeing of the community (Burtland, 1987). Based on Brundtland's definition Landrum and Edwards (2009) define a sustainable business as "the one that operates in the interest of all current and future stakeholders in a manner that ensures the long-term health and survival of the business and its associated economic, social, and environmental systems"(Landrum, Edwards, 2009).

There are also advantages of implementing sustainable practice for restaurant, namely better use of intermediate consumption, which will contribute to closer communication with suppliers that, in its turn, will improve processes and relationships (Sloan, Legrand & Hindley, 2013).

Johnson (2010) indicates four most common sustainability issues within the restaurant industry that act as intermediaries between the restaurant and the world and can be used as the aspects of environmental sustainability: Food, Waste, Energy, Water (Johnson, 2010). He claims that: "...the impacts that that business could have on the world could only be from what came in to the restaurant, such as the product it decided to use, and what was put out, such as the waste. The idea is that as the aspects of how a potential product is produced and how waste will be treated need to be considered" (Johnson, 2010).

McConnell Freeman (2011) says that "...there are crosscutting themes that suggest how sustainability can be put into practice" and suggests four areas to put sustainability into practice of restaurant operation: "For example, owners must be *educated* on the collective impacts of their businesses and take responsibility to *educate* consumers. Owners must be aware that sustainability is not a product that can be achieved overnight, but a dynamic, long-term *process*. The industry stresses the environment and the food system; therefore, restaurateurs should be proactive to avoid creating negative *future conditions*. The industry stresses the environment and the food system; therefore, restaurateurs should be proactive to avoid creating negative *future conditions*" (McConnell-Freeman, 2011).

Both McConnell Freeman and Johnson are talking about focal areas where sustainability can be applied into restaurant operation and that these areas have a huge impact on our environment and community.

Methodology

Sustainable development and sustainability itself has many definitions and interpretation. The author of this work has reviewed various definitions and has investigated four common issues of sustainability, such as lack of education and knowledge, process or implementation, society influence and future conditions. Most of the literature sources that contained information about sustainability in restaurants mention energy, water, waste, and food as being the biggest environmental impacts.

In order find out more about sustainability practice and why some of the restaurant do not utilize them, the author has interviewed owners of three restaurants which have applied sustainable practices into their operation in Latvia. Having collected information from these restaurants, the author has identified the current barriers for implementing sustainable development into restaurant operation as well as the benefits of utilizing these practices. The questionnaire consisted of ten questions:

1. What motivates you to implement sustainability in the daily operation of the restaurant?
2. What are the restaurant's short and long-term goals?
3. What are your structure values that are linked with sustainability development?
4. What practices have you implemented in order to operate sustainable?
5. Can you describe the achievements and difficulties that restaurant has experienced when started to operate consciously?
6. What in the restaurant industry do you think has a biggest impact on environment?
7. How much does it cost to operate in sustainable manner?
8. Which of the following barriers emerge when choosing to purchase locally produced/grown food products that will be used for food preparation?
9. What may be defined as the most common barriers to implement sustainability in daily operation of the restaurant?
10. What can appear as the barrier in implementation of the savvier equipment in the restaurant operation?

For the last three questions respondents were offered a selection of options (Cost, Vendor, Contract, Lack of information, Obligation), which should have been categorized according to the scale:
- Strongly agree
- Agree
- Neutral
- Disagree
- Strongly disagree

Results

The result of this survey displayed that indicators of sustainable practices of restaurant operation can be as following. As we speak about sustainability in restaurant industry it is not only about organic food, it is much more about it, for example, the connection between people and local food, which is one of the reasons to prefer local farmers and local food to imported products. If we look at the seasonal food, this is again one of the answers to the problem of the energy - eating seasonal products reduces the demand for out of the season production which further supports more local producers and supports local farming, which means less transportation, less refrigeration, less hot houses, and less irradiation of products, because

food in this case is grown in green houses, using a lot of mechanical tools. Therefore, opting for the seasonal food is one of the solutions to lower the energy consumption in food production.

Moreover, there are many issues concerned with fare trade, in other words, it is necessary to pay people who grow products or ingredients for our food a fair price for their effort. Employees are the most important asset because these are happy employees who create happy customers. Employee experience drives guest experience and the guest experience drives guest loyalty, word of mouth and sales.

In addition, there are some sustainability issues that are connected with ambiance of the restaurant, for example the building of the restaurant, the energy use, the furniture, the cutlery, the public closet, the materials of the decorations, fixtures and fittings, etc. All this should be in line with sustainability concept. Having sustainable menu is not enough. Through using sustainable materials, recycling all the waste, selecting local and seasonal products, paying fair price for employees it is possible to have a positive impact on our environment.

Restaurants which behave proactively on environmental issues can reap strategic advantage by foreseeing opportunities and problems for their future operation. Restaurants differ in what causes them to engage in sustainability issues: some restaurants are driven from within by their top management to engage in sustainable issues, and others just respond reactively to external influences, such as stakeholder pressures (government) or customer requirements.

Generally, size is one of the most important characteristics expected to influence the adoption of green initiatives. Apart from financial, technical, information and organizational issues, business size is a crucial factor for business to practice sustainable development, and generally bigger size restaurants tend to be more willing to participate in green initiatives (Table 1).

Table 1. Barriers to implement a sustainable approach into restaurant operation

Barriers	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
Purchasing cost	31%	45%	13%	0.8%	0%
Economic disadvantage	39.3%	45.1%	12.3%	1.6%	1.6%
Desire for lower price	53.4%	33.3%	11.5%	0.8%	0%
Regulatory bodies and government regulations	43.3%	38.5%	14.8%	1.6%	0.8%
Expensive advanced technologies	43.4%	45.1%	10.7%	0.8%	0%
Lack of consumer education	56.3%	35.3%	8.4%	0%	0%

Internal barriers include a lack of supportive corporate structures and processes, a lack of management commitment. Additional, lack of top management commitment is a major reason behind failure of quality improvement efforts in the execution of sustainability issues, and

unless management is fully committed to service excellence, any improvement efforts are doomed to failure from the start (Tay, et.al, 2015).

A focus on cost reduction can run counter to sustainability. Looking at the purchasing and supply function, sustainable development can be hindered by a lack of training and understanding. However, increased investment in green products, is a greater concern for restaurant holders, who believe that greater commitment to environmental programs increases total purchasing costs and subsequently decreases their competitiveness. Consequently, a firm's strong environmental commitment results in added costs, which puts the firm at an economic disadvantage as compared with other less environmentally responsible firms. Another difficulty associated with formulating a green purchasing strategy is that green purchasing may reduce the pool of qualified suppliers due to stricter environmental quality standards.

External barriers include consumer desire for lower prices and competitive pressures. Despite the growing attention to sustainability issues, there have been criticism and skepticism of the adoption of green practices initiatives to this particular industry. Government regulation can also inhibit sustainable development, due to assessing the total cost to the implementation of this practices in overall economic activity of particular country (Tay, et.al, 2015). Therefore, operating sustainable restaurant can be difficult as the restaurateur's may face many obstacles from the start.

On the other hand, the advantages of operating sustainable restaurant might be as follows (Table 2):

Table 2. Benefits of environmentally friendly restaurant business

Benefits	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
Lower cost of utilities	45%	32%	21%	0%	0%
Increase in customer buying power	39%	45.4%	28.3%	0%	1.6%
Big saving over time	63.4%	23.3%	19.5%	0%	0%
Unique ties with the customers	33.3%	27.5%	31.8%	0%	0.8%
Higher profit	43.4%	55.1%	11.7%	0.8%	0%
Use of more advanced technologies	51.3%	39.3%	8.4%	0%	0%
Harder emulation for competitors	31%	45%	13%	0.8%	0%
Reduction of negative impact on the environment	56.3%	35.3%	8.4%	0%	0%
Spread awareness of sustainable movement	59.3%	32.3%	8.4%	0%	0%
Improved customer perception	39,1%	45.3%	28.3%	0%	1.6%

Waste management has many advantages, for example, recycling will not only cut down waste management costs, but it will also lead to new revenue streams. With the local composting programs, the restaurant may donate used frying oil to biofuel companies.

Utilizing local ingredients will contribute to less shipping and traveling of the food products; less fuel and electricity would be needed to ship ingredients to the restaurant. This kind of operation helps to sustain natural resources by using local ingredients, and sustaining the community at the same time.

Restaurants may grow their own vegetables and herbs. Some restaurants even get their most loyal customers involved in the gardening program. This is one of the ways to create a unique connection with the guests. The garden can be used to develop a composting program, so it can reduce the food waste.

Packaging materials can be recyclable and eco-friendly as well as more cost effective.

Sustainable operation can cut the electrical bills. Turning off lights, computers and other electronic systems can add up to big savings over time, especially across multiple locations. Adding extra insulation around windows and doors will cut on heating and cooling costs. Swapping in compact florescent bulbs for traditional bulbs can also be useful. Compact fluorescent light (CFL) bulbs and LED lights, are much more energy efficient than incandescent bulbs – which can lose up to 90 percent of their energy as heat (U.S. Department of energy, 2017).

Environmental efforts eventually will pay off financially. Sustainable restaurants first made a little change towards sustainability by investing in more-expensive methods of sustainable operation that eventually led to significantly lower costs and higher profit. While saving some amount of money from the profit then they further used to supply more advanced technologies that made production even more efficient. Overall it further changed the business model and for competitors it has become hard to emulate. Thus, this business models of sustainable restaurants can be a good image to recognize that sustainable production can be less expensive and investments that are made in more-costly materials and methods will lead to greater savings in the future.

Conclusion

The author of this research project has investigated sustainability development in the restaurant industry. The research revealed that the sustainable restaurant operation is not only when its operation meets certain performance criteria, but also when sustainability appears in restaurateur's value structure. Thus, simply meeting the requirements for energy, water, waste, and food does not mean that restaurant operates sustainably.

The result of this survey has revealed that the main disadvantage why some of the restaurants are not utilizing sustainability in restaurant operations are the following. Restaurants should have spent greater amount of money to operate sustainably. Absence of information concerning sustainability issues and lack of space to install all the equipment that will help in promoting sustainable development in restaurant seem to be a disadvantage. Legal concerns have appeared as an obstacle to implement sustainable operation for those restaurants which are already implementing this development due to the fact that there is not much information provided for this concern. The sustainable restaurants use energy-efficient equipment and provide their customers with local products from local suppliers. The survey has increased the understanding of the obstacles that are the reason of why sustainable practices are not automatically adopted by restaurants. Further research will help to overcome obstacles to reach sustainability in the restaurant industry by highlighting how to incorporate sustainability

in restaurant operation.

Sustainable development includes a qualitative assessment of the values and goals, in adopting the future decisions, and afterwards it should be delivered in accessible way to the staff and the community (customers).

The merge of the values and goals structure in the restaurant operation is essential to implement a real sustainable operation in this industry.

Businesses to further promote this development must be responsible for participating in society education and expansion this necessary sustainable practice for the future of everyone, in order to help lower the negative impact on the environment caused by this particular industry. The research has revealed that simple sharing some sustainable practices in restaurant operation will enhance transparency of the operation of the business and furthermore will attract more participants and businesses to implement sustainability practices for their operation.

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COMPETITIVENESS OF LOCAL GASTRONOMIC OFFERINGS IN RIGA RESTAURANTS: CASE OF FAST FOOD RESTAURANTS

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Abstract. This project involves discovering how the stereotype of fast food as unhealthy food influences customers' decision in choosing the restaurant. The aim of this research is to show that fast food can be as well local and healthy as other restaurants. This has been done by making a survey around customers in order to find out their vision about local fast food and about fast food as healthy food. After the survey it has become clear that most of people do not believe in local and healthy fast food, as well as that the stereotype of fast food as unhealthy food will change in the future. Through the survey, this research highlights the importance of the local products in restaurants.

Keywords: Local, fast food, healthy, stereotype

Introduction

Fast food is unhealthy food. This stereotype is very popular nowadays. Therefore, the aim of this work is to demonstrate how wrong this stereotype is and what can be done in order to prove that fast food can also be healthy food. To show it in a better way, the comparison of local fast food restaurants will be provided and the analysis of customers' opinion will be described.

To collect and analyze the information about current situation with fast food, different sources have been used, such as a book, "Fast Food NATION", written by Eric Schlosser (2002). This book in an understandable way provides information about real fast food industry with a lot of good examples. In addition, some articles from magazines have been used, for instance the magazine "The New Yorker" has a really good article about how fast food restaurants try to improve themselves by creating healthier menu and healthier dishes.

To collect the information from the customers author has made a questionnaire, which has helped to make some decisions and to prove some stereotypes and opinions.

Literature Review

To be able to compare local gastronomy, it is important to understand what gastronomy is, local gastronomy and competitiveness indicators. Gastronomy is the art or activity of cooking and eating fine food. Local gastronomy is the cooking of a particular area, for example, in Latvian restaurants, Latvian dishes are part of local gastronomy. In addition, dishes, which are made from local products and ingredients, are also part of local gastronomy. In order to break the stereotype about fast food, different competitiveness indicators can be used, for example pricing ranges, menu differences, types of clients, occupancy, turnover and so on (Oxford Dictionary, 2017).

During the last few years, the Global Wellness Institute has made several research studies, where they showed the statistics about global wellness economy, which has shown that interest in healthy lifestyle, is increasing every year, including healthy eating. Nowadays, people are more and more concerned about what they eat. This is the main reason, why, restaurants, including fast food restaurants, are trying to make their menus more nutritious, healthier and local. However, there is a stereotype that fast food is low quality food (Global Wellness Institute, 2017). The author would like to demonstrate that fast food restaurant can also produce local dishes and healthy food, and that they can compete with other restaurants, which offer healthy food. Firstly, the author will discuss what fast-food restaurant is and what a typical concept of fast-food restaurant is.

 Fast food restaurant is a restaurant, which serves fast food cuisine, food, which can be prepared in a short period of time (Smith, 2006). The majority of fast food restaurants have typical concept- quick service restaurant, where they produce burgers and French fries, with minimum table service, but there are other concepts existing. For example, fast food restaurant can also have eco-friendly concept, healthy fast food concept, local and fresh ingredient fast food concept and others. This article aims to tell more about such fast food restaurants and to pay attention to the fact, that they also have a potential to be popular, like "McDonald's" or 'Burger King".

Talking about well-known fast-food restaurants, such as "McDonald's", "Hesburger", etc., the current methods for preparing fast food are less likely to be found in cookbooks than in trade journals, such as Food Technologist and Food Engineering. Aside from the salad, greens and tomatoes, most fast food is delivered to the restaurant already frozen, canned, dehydrated, or freeze-dried. A fast food kitchen is merely the final stage in a vast and highly complex system of mass production. Foods that may look familiar have, in fact, been completely reformulated. What people eat has changed more in the last forty years than in the previous forty thousand. The birth of the fast food industry coincided with Eisenhower-era glorifications of technology, with optimistic slogans like "Better Living through Chemistry" and "Our Friend the Atom" (Schlosser, 2002). Author of the book "Fast Food Nation", journalist Erik Schlosser, here clearly summarizes the main concept of the fast food industry. The book was published in 2002, so what situation is nowadays? Is the fast food still prepared in a "freeze-canned-store-unfreeze-cook and serve" way? Some of the fast-food restaurants are surely still using this method, but in a modern world, the majority of fast food restaurants are trying to run away from this stereotype and to show that they are producing healthy food, local food and nutritious food.
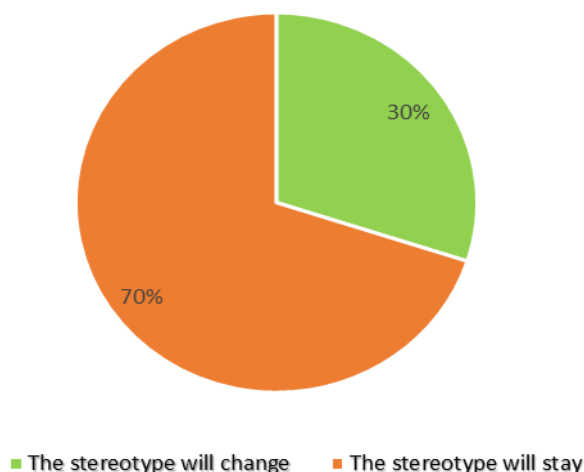
For example, in 2015, the magazine "The New Yorker", published an article, called "Freedom from Fries. Can fast food be good for you?" and written by Michael Specter, in which was says that "in keeping with prevailing desires and current nutritional wisdom, "McDonald's" abandoned margarine for butter. The company announced recently that it would stop selling chickens that have been raised with antibiotics that could affect human health, and milk from cows that had been treated with growth hormones. They introduced low-calorie "artisan grilled chicken" sandwiches and, this month, began serving breakfast all day—fulfilling a request that the Egg McMuffin crowd has been making for years. "McDonald's" has also jumped on the seasonal-food bandwagon, having sold about thirty-seven million Cuties, the brand of Clementine's that come with Happy Meals." (Specter M., 2015)

In addition, they were determined to offer dishes with a balanced distribution of nutrients and far less salt, sugar, and fat than is common in fast-food meals. The trends suggested that customers would be waiting for them. At least since 2013, as the economy began to improve, repeated surveys, conducted by groups as diverse as the American Medical Association and "McDonald's" itself, have reported that the nation's eating habits were undergoing a major transformation. In one such survey, made by Deloitte, more than three-quarters of respondents said they had healthy eating habits; at least half said that portion sizes at fast-food restaurants were too large; and eighty-three per cent believed that the typical fast-food menu did not offer enough healthy choices. In another study, carried out by the industry research company Technomic, seventy-three per cent of people between the ages of twenty-two and thirty-seven said they would be more likely to buy food described as "local." (Specter, 2015)

It shows, that the "McDonald's" has already started to change their offers, menu in a better way to show to their clients, that "McDonald's" is also trying to be healthy, but the stereotype about fast food being unhealthy food is that strong that people just do not believe it. For the "McDonald's", as for the most famous fast food restaurant, it would be very difficult to change this stereotype about them. However, the author strongly believes, that those fast food restaurants, which had a concept of healthy fast food at the very beginning, can really have a considerable success and prove that fast food can also be healthy, local and nutritious. Examples of such fast food restaurants can be "Leon- Naturally Fast Food", "Sweet Green", "Life Kitchen" and others.
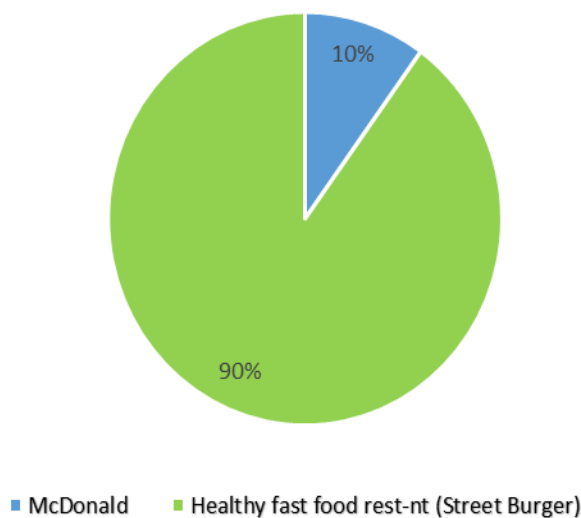
Methodology

To prove that there really is such a stereotype of fast food being unhealthy food, a questionnaire has been created to show how people relate to fast food and whether they believe it can be healthy and whether it will change in the future.

Fig.1. Results of the survey

The survey has been made online by using Twitter, because it is one of the fastest ways to reach customers. About 30 people, 15-30 years old, from different countries (Russia, Ukraine,

Latvia, Spain, etc.) participated in the questionnaire. One of the questions in the questionnaire was: *"There is a stereotype that fast food is unhealthy food. Do you think this stereotype will change or not in the future?"* As it is shown in a pie chart (Fig. 1), 70% of the respondents answered that that stereotype would remain. The majority explained it by the fact that people believe that it is true and that reputation, which fast food has, will not change customers' opinion. However, some participants added that it may change if there is more information about cooking methods and cooking technology provided.

Fig.2. Results of the survey

What is interesting, the second pie chart (Fig. 2) shows that 90% of people would rather prefer to go to the healthy fast food restaurant, than to the "McDonald's". This also points out, that people do not believe in healthy fast food, but they want to have it and maybe even go there. It can be caused by lack of information and advertising of healthy fast food. This is proved by another question from the questionnaire: *"Do you know any local healthy fast food restaurant in your country?"* Almost all respondents answered, that they did not know about any restaurant of such kind. What else is interesting, that in the survey there were people from different countries and almost all of them answered negatively. It shows that this situation is common not only for Latvia, but this is a worldwide problem. In addition, a lot of participants, most of whom were students, said that they would prefer to pay less and eat unhealthy food, than to pay more and eat healthier food. Therefore, here another stereotype can be mentioned, that local food (healthy food) is expensive food, though comparing prices in "McDonald's" and in "Street Burger", there is no such big difference in prices.

Results

The main result of the survey is that people do not trust healthy fast food restaurants, because of bad reputation in the past of such fast food restaurants as "McDonald's". This is one of the reasons, why healthy fast food is not perceived seriously and why it is hard for such restaurants to reach success in comparison with such restaurants as "McDonald's" or "KFC". People convince themselves that it is impossible to have healthy fast food for good prices, because they think it is too difficult to make it and if it is done, it has to be expensive. To break this prejudice, author has compared "McDonald's" and "Street Burger" – local and fresh ingredient using fast food restaurant in Latvia, regarding the prices, ingredients, food production methods, etc.

Comparing prices in "Street Burger" and in "McDonald's", it cannot be said there is a significant difference. In "Street Burger" the average price range is 2 € - 9 €, while at the "McDonald's" it is about the same, 2€ - 7€. The difference is not so big, but the quality of the food in "Street Burger" is much higher. It can be explained by the cooking methods and cooking ingredients, which they are using. For example, they use only local (Latvian farmers') juiciest pieces of meat that are minced at-place once or twice a day in order to maintain them fresh and full of flavor. For chicken burgers, they use only chicken fillet, which helps to make them healthier food with less fat. All beef burgers are served medium rare. All of their burgers are grilled over an open fire, which gives them a particular flavor and aroma. The average amount of meat in the burger is 160 grams. They use only fresh vegetables that are supplied daily. Bread for the "Street Burgers'" burgers is daily baked at a local bakery according to traditional recipes, specifically for "Street Burgers" (they also have gluten-free bread). Their potato chips and French fries are natural potatoes fried using 100% vegetable oil just before serving. Vegetable oil they use for frying is later transferred to be processed for biodiesel. All their burgers are made immediately after they have been ordered – from a hot grill right to clients' plate (Street Burger, 2017). The "Street Burger" is a good example of how fast food can be the same fast, but in addition healthy and even tastier. In "McDonald's", they are more focused on how fast and how good the quality of service is, but not on the quality of food, even if they claim that they are using local products, or that the ingredients are fresh and without any additives.

The "Street Burger" is a good example of fast service and local dishes in a world of fast food. Talking about menu in these two restaurants, customers can find the same bacon or chicken burger from "McDonald's" in "Street Burger". Of course, there are some differences in menus, for example, in "Street Burger" the customer can choose the type of the buns (traditional or Ciabatta), and as it was mentioned before, bread for the "Street Burgers'" burgers is daily baked at a local bakery following traditional recipes. However, "McDonald's" states, that they also use high quality wheat for their buns, which have been stored packed, since the very moment of their preparation, until they are roasted or steamed during the preparation of sandwiches. Naturally, it is impossible for such a big chain as "McDonald's" to control the situation in every restaurant all over the world. Type of clients is the same in both restaurants, these are mostly teenagers, families, adults. However, the number of clients, of course, is bigger in "McDonald's" than in Street Burger, because of huge advertising of "McDonald's". In addition, "McDonald's" is a world-famous company, while the "Street Burger" is a local Latvian company, which has just started their business. This is one of the reasons, why such local healthy fast food restaurant is unknown and not so popular in comparison with "McDonald's".

Conclusion

To conclude, healthy fast food is developing more and more and in the next few years, it will become more and more popular. The results of this survey have shown that the stereotype of unhealthy fast food really exists, and that people do not want to change it or rather that they do not believe that fast food can also be healthy and local food. However, by comparing two fast food restaurants in Latvia, it is easy to understand and to see, that healthy fast food restaurants can exist in Latvia. Moreover, healthy fast food restaurants should not be afraid to compete and to promote their local products to change the world of fast food in the future. The healthy fast food has to compete with ordinary fast food restaurants, like "McDonald". Healthy fast food restaurants should prove and demonstrate that fast food is not only about low quality or unhealthy food, but it can also be healthy, local and delicious. As it has been found, healthy fast food restaurants are not popular, because of lack of faith in healthy fast food and because of lack of advertising. For such small and new restaurants, as "Street Burger" it is very difficult to become well known, when such giant corporation, as "McDonald" spends thousands of dollars for their advertising. However, it is possible to show to people that they can trust them, and to win customers hearts healthy fast food has to become as popular and well known as the same "McDonald" or "Burger King".

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GASTRONOMIC TOURISM IN RIGA AND ITS RELATION TO "RIGA RESTAURANT WEEK": A NEW TREND IN TOURISM DEVELOPMENT

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Abstract. The purpose of this article is to give insight into gastronomic tourism in Riga. In order to provide in-depth research, "Riga Restaurant Week" has been analysed. The "KID restaurant", which is located in the center of Riga and is regularly takes part in "Riga Restaurant Week", has been taken as the basis for research. By this research author is willing to find out the level of knowledge about gastronomic tourism among customers. To reach the goal, a questionnaire among "KID restaurant" clients has been spread. "Riga Restaurant Week" can be considered as a marketing event for gastronomic tourism. By organizing such events, the popularity of local gastronomy increases among the locals as well as tourists. Gastronomic tourism is a new and rising trend in tourism development. Countries and regions that see a potential in this tourism field, have a chance to attract more tourists to their destinations. Everything mentioned above creates the motivation and wish to visit Riga not only for a regular sightseeing, but in order to get to know Latvian cuisine as well.

Keywords: gastronomy, tourism, Riga, restaurants, trends

Introduction

Gastronomic tourism is a new trend in tourism development. Travelers often look specifically for places with a rich cuisine, food and drink festivals, and cooking classes. Many different destinations are popular for culinary tourism, such as France, Thailand, India, and Japan. Generally, culinary tourists are interested in local delicacies and cuisine rather than generic dishes they could find in their home town. But the purpose of this research is to evaluate the gastronomic tourism in Riga and provide some options to develop it and make more attractive for tourists, provided that everything mentioned above create the motivation and wish to visit Riga not only for a regular sightseeing, but in order to get to know Latvian cuisine as well.

Literature Review

In recent years, food tourism has grown considerably and has become one of the most dynamic and creative segments of tourism. Culinary tourism or food tourism is the exploration of food as the purpose of tourism (Long, 2003). Gastronomic tourism is a kind of tourism, the main purpose of which is acquaintance with the country through the national gastronomy (Mironova, 2017).

The tourists' behavior was changing along the recent years. Today, travelers are more experienced, have more disposable income and more leisure time to travel, and, thus, tourism allows them to escape the daily routine of their usual environment and immerse themselves in a world of freedom and novelty. More and more tourists in the world are looking for concrete learning experiences, and with this strive the gastronomic experience, in highly diverse ways, is playing an increasingly important part (Gheorghe *et al.*, 2014).

Tourism is a human activity necessary for life, which provides new experiences to those who practice it, one that is able to reduce stress and increase happiness in life. If in the past mass tourism was the main way of its manifestation today tourism is practiced in small groups who look to live new experiences but keep in mind the environment (Gisolf, 2014).

Tourist motivations constitute a key concept for the design and creation of products and services that add value for tourists. Motivation is related to consumer satisfaction and are considered a key component in understanding the decision-making process of visitors. Population travel habits are important for the tourism industry. The supply of tourism services is oriented towards the various interests of tourists and a broad target audience.

Local gastronomy in Latvia may have been influenced by Germans, Swedes, Poles and Russians, but looking at national celebrations, one can see a very unique aspect of the past that is still present – Latvians like to be in contact with nature and to produce and prepare food with their own hands. Moreover, Latvian gastronomy is strongly influenced by the four different seasons of the year. Seasonal availability of local food products affects the choices and eating habits of Latvian people. Every family knows where to get a fresh fish. During the autumn, Latvians gather mushrooms in local woods, and during the spring and summer, they often grow their own vegetables, as opposed to buying them at a shop.

Methodology

One of the methods for the development of gastronomic tourism in Latvia is the event "Riga Restaurant Week". During this special week, Riga's restaurants open their doors to all gourmands willing to treat themselves to an array of delicious flavors for an especially affordable price of 15–20 Euros for a three-course meal. For the entire week, local inhabitants and guests have the chance to savor the season's best foods prepared by experienced and innovative chefs who give each meal a modern and sophisticated twist (Riga Restaurant Week, 2017).

As a research object, "KID Restaurant" has been chosen. The restaurant is a tried and tested favorite of many residents and visitors of Riga. It serves delicious food and drinks and offers good service. The restaurant's menu includes different European dishes made with local and seasonal ingredients (KID restaurant, 2017).
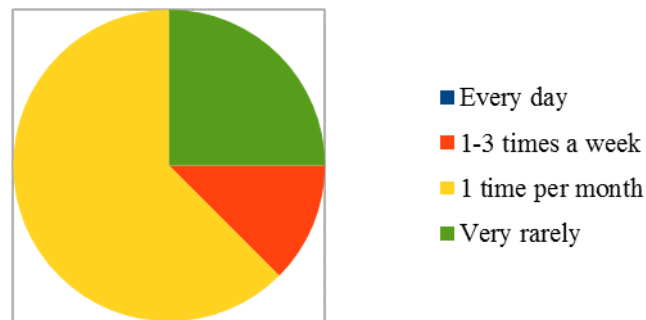
The menu in "KID restaurant" for the last "Riga restaurant week" from 9th till 15th of October, 2017 included:

1. *Mushroom cream soup, fried mushrooms, hazelnuts;*
2. *Baked almond cheese, chives, fried spinach, peanut butter, leafy cabbage, cowberry;*
3. *Yogurt jelly, burnt marshmallow, pine cones ice cream;*

Quantitative method has been used in the research, where data are collected using a questionnaire. The questionnaire consists of eight questions, six of them being multiple choice questions, and two of them being open-ended questions. Eight visitors of "KID restaurant" during the "Riga restaurant week" from 9th till 15th of October, 2017 participated in the survey.
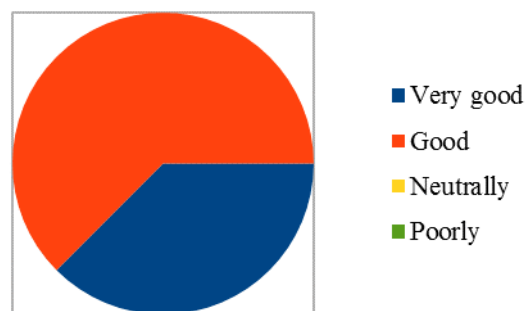
Results

Below there will be the results of the analysis of the survey. The first question was about restaurant visiting habits of the respondents. Specifically – *"How often do you visit "KID restaurant"?* The answers of restaurant's customer show that 5 of them visit "KID restaurant" once per month (63%), 1 customer visits the restaurant 1-3 times per week (12%) and 2 customers visit "KID restaurant" very rarely (25%) (Fig.1).
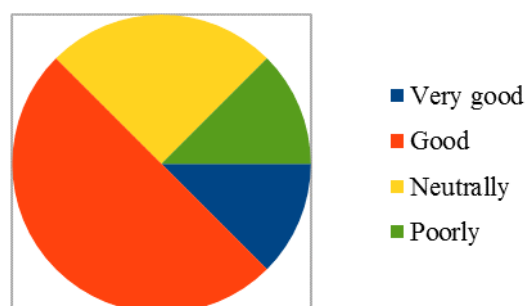
Fig. 1. Frequency of customers' visiting of "KID restaurant" (Source: made by author)

The second question asked the respondents to evaluate the quality of customer service at "KID restaurant". All visitors are absolutely satisfied with the service of the restaurant. 3 customers evaluated it as a very good (38%), and 5 – as a good quality service (62%) (Fig. 2).
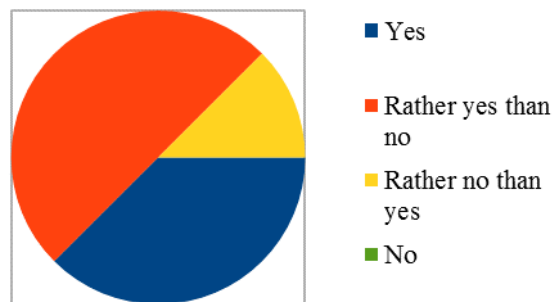

Fig. 2. Quality of customer service at the "ĶID restaurant" (Source: made by author)

The third question of the survey was about the menu, specifically: *"How do you evaluate the menu of "KID restaurant" for the "Riga Restaurant Week"?"* The diagram clearly shows the results. 4 customers evaluated the menu of the restaurant for the "Riga restaurant week" as a good menu (50%), 2 – neutrally (25%), 1 – very good (12,5%), 1 – poorly (Fig. 3).
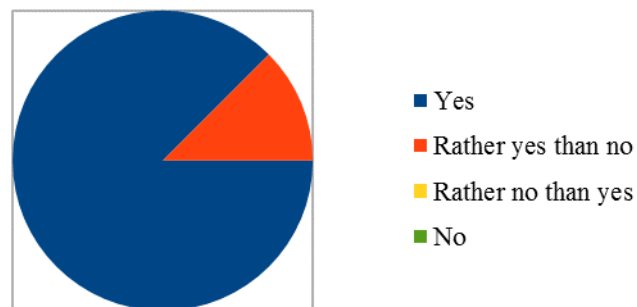

Fig. 3. Evaluation of the menu of "KID restaurant" for the "Riga Restaurant Week"
(Source: made by author)

The fourth question of the survey aimed at Latvian elements of cuisine and their existence in the menu of "KID restaurant". The statement of a question is: *"Do you think that the menu for the "Riga Restaurant Week" contains elements of Latvian cuisine?"* Answers of 4 respondents were rather positive than negative (50%). 3 respondents think that the menu contains elements of Latvian cuisine (38%) and one person supposes that the menu rather does not contain elements of Latvian cuisine (12%) (Fig. 4).

Fig. 4. Presence of elements of Latvian cuisine in the menu for "Riga Restaurant Week"?
(Source: made by author)

The question number 5 asks about customer's opinion of the contribution of the "Riga restaurant week" in Riga gastronomic tourism development: *"Do you think that the"Riga Restaurant Week" helps to develop gastronomic tourism in Riga?"* All the participants agree that "Riga restaurant week" helps to develop gastronomic tourism in Riga, namely 7 persons answered "yes" (88%), 1 – rather yes than no (12%) (Fig. 5).
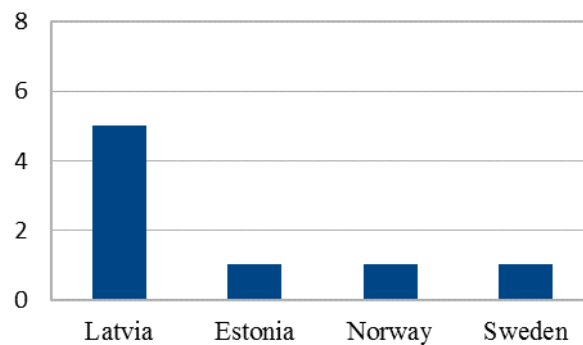

Fig. 5. Development of gastronomic tourism in Riga with the help of the "Riga Restaurant Week"? (Source: made by author)

The next question of the survey was the following: *"What kind of gastronomic tourists do you belong to?"* For respondents different options of answers were provided there, such as:

- Tourists, bored with conventional tourism;
- Those who want to make variety in their diet;
- Gourmets;
- Those whose work is concerned with the preparation and eating of food;
- Representatives of tourist companies interested in organizing their own gastro tours; (Гастрономический туризм, 2017)

Five respondents (63%) have answered, that they are people who want to make variety in their diet; 2 respondents consider themselves gourmets (25%); one person's work is concerned with the preparation and eating food (12%).

Question number 7 inquires about countries of residence of restaurant visitors. The data analysis shows that 5 persons are from Latvia (63%), one person from Estonia, two from Norway and Sweden (Fig. 6).

Fig. 6. Countries of residence of restaurant visitors (Source: made by author)

The last question provided the opportunity for the respondents to give any suggestions on how gastronomic tourisms industry in Riga can be increased. Six persons refrained from answering. One person offered to open more restaurants with local food. Another person suggested to offer additional menu with local food.

All in all, this questionnaire has helped to identify main points of people thoughts about gastronomic tourism in Riga and its relevance. The research has shown that the popularity of such a new trend as gastronomic tourism is constantly growing. It happens not only in the most popular countries of Europe among tourists, but in Riga as well. On the example of the cozy "KID restaurant" in Riga it has been revealed that:

1. The majority of respondents evaluate the menu of "KID restaurant" for the "Riga Restaurant Week" high;
2. The majority of respondents think that the menu for the "Riga Restaurant Week" contains elements of Latvian cuisine;
3. The majority of respondents believe that the "Riga Restaurant Week" helps to develop gastronomic tourism in Riga;
4. The customers of "KID restaurant" mostly are from Latvia and evaluate themselves as people who seek variety in their diet;
5. The customers think that adding local food to menu and opening new restaurants with Latvian cuisine menu will help to increase gastronomic tourism industry in Riga.

Conclusion

To sum up, it is necessary to say that in general gastronomic tourism industry in Riga is gaining popularity. And such events as the"Riga Restaurant Week" helps to attract attention not only of local people, but tourists from all over the world. It is important to encourage the restaurants, who participate in the "Riga Restaurant Week", to include local Latvian cuisine dishes in their menu.

In order to develop gastronomic tourism in Riga more and more, author of the article offers three activities for further development. First step could be advertising or marketing. It is

important to advert Latvian cuisine and try to improve the quality of food as well. Second activity could be about organizing the charities, events etc. related to gastronomy, because of that Riga will get more tourists. The third activity and the last one is to build good relationships with the other countries. This will help to control the flow of the gastronomic tourism in Riga and "exchange" gastronomic traditions.

Developing and improving gastronomic tourism will allow the public to get to know the unique taste of this region by demonstrating the application of the knowledge and skills passed down from generation to generation and the rebirth of local products in a higher league on the basis of the most recent trends in *"gourmandism"*.

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USE OF MOBILE TRAVEL APPLICATIONS FOR TOURISTS IN RIGA

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Abstract. Today's mobile phones are like small computers. With the phone the user has access to information similar to a PC user. Travellers carry their mobile phones and more and more often they are willing to use it when travelling abroad. With new and better phones, a higher percentage of the travellers now have at least some experience with other applications or services than phone calls and text-messaging. For the travel and tourism industry, new opportunities and challenges are emerging due to the trend of improvements in technology. The location aspect is particularly relevant in a travel context. How and why should the industry provide location based content for mobile devices? The purpose of all these applications is to assist the travellers in creating a better and more useful tourism experience given the time the traveller has and interests. Therefore, the present study aims to analyse mobile applications used in Riga by tourists. To achieve this aim, this study presents a review of literature, including books and scientific articles on the mobile applications and their influence on tourism industry. Moreover, a group of international tourists have been questioned using a structured questionnaire module to identify their understanding and familiarization with mobile applications for tourists in Riga city and the apps' impact on tourism industry. Findings are discussed and theoretical as well as practical suggestions provided.

Keywords: mobile applications, buyer decision, smart phones, booking, market study, technology

Introduction

The smartphone is an electronic device that can be used in any places. All over the world, it can be accessible to Internet and calls (Buhalis, Costa, 2006). A term smartphone means a multimedia machine operating as interpersonal communication equipment. It can be used for functions such as messaging, downloading applications, using information providing services such as Wi-Fi and Global Positioning System (GPS) (Ting, 2011). In the past few years, the smartphones' usage has climbed. Today mobile phones in Europe have become more and more common for the elderly people as well. In present world people think that their mobile phone is not only a communication device, but also their extension of personality, and their characterization as a human (Persaud & Azhar 2012). The aim of this study is to analyse mobile travel applications in Riga and the buyer behaviour of tourists. Research goals are to provide core concept definitions, explain topicality of research, discuss mobile technologies in sales and marketing in tourism and hospitality industry, to describe mobile applications developed in Riga for tourism, to review literature sources to understand the industrial practices, to prepare a questionnaire method for the online buyers of Riga hotel & tourism services and analyse it, and based on theoretical analysis and practical part made by method survey, to provide conclusions and suggestions.

Literature Review

The Internet is becoming a very important medium in provision of information about travel and tourism. On implementation of Internet e-commerce activities, many of the problems and issues have been faced by destination stakeholders. Lack of IT infrastructure, the cost of using the services, integration and partnership problem and DMS (Document Management System)

search function are some of the examples. The development of mobile technology, especially the "mobile Internet" and "WAP-sites" will improve tourism e-commerce activities (Marcussen, 2002).

Mobile delivery will be the sixth generation of distribution channels for marketing and sales of hotel services (Elsayed, 2008). E-commerce and wireless technologies are a new sensation experience which is constantly changing and developing. This phenomenon may stand for the travel and tourism industry to provide convenience and opportunities. Some examples of a mobile commerce application that can be used to promote a variety of tourism services are given below.

Mobile devices such as mobile phones, PDAs (personal digital assistant) and laptops will be used to distribute travel services in many ways. Marcussen (2002) mentions that mobile commerce applications will be offered information services such as:

Air travel: Many airlines offer wireless Internet access to passengers all through flight.

Railways: Passengers can get real-time rail information schedules and reservations, can book mobile phone tickets and get mobile ticket via SMS.

Cars: Passengers and drivers can get directions, traffic information and conditions.

Hotel: Search for hotels, destinations and information on restaurants.

In addition, many mobile business applications have been developed. Bar code applications, which have improved the value of mobile business activities and e-commerce extensions are beyond limits of fixed online personal computer. For example, consumers can buy a ticket using their mobile phones, and are capable of doing mobile payments and receiving tickets as a message form of bar code numbers (Scronavacca, Barnes, 2009).

Smartphone can be used to reserve tables and hotel rooms while standing on the road by using different types of applications or search engines. Needless to say, the possibility of such information access and communication will have an impact on the tourism industry before, during and after the trip to search for tourism patterns in travel planning behaviour. Which also means that the booking cycle for many large tourism businesses will come to be shorter and shorter (Buhalis,Costa, 2006). Smartphones are the latest devices in the travel business and are value considering, especially mobile travel applications that can help travellers enjoy travel without any other kit until they are able to do so.

To summarize, as a result of technological advances, information and communication technology has changed the tourism industry worldwide. Development in a wide range of new tools and services, such as web-based services, GDS (Global Distribution System) and wireless technology encourage global relationships between Tourism and stakeholders. As a result, information and communication technology already has had a major impact on the competitiveness of the tourism industry at an organizational and destination level.

The Internet is becoming an important medium for providing information about travel and tourism. On the implementation of Internet e–commerce there are many problems in the activities of the tourism sector facing by target stakeholder. For example, the lack of IT infrastructure, use of service costs, integration issues; DMS (Document management system) search function and delivery of e-commerce through fixed location.

Methodology

Based on literature review of existing relevant studies and research reports, a questionnaire has been developed in order to acquire data through on-site and off-site surveying that would help address the research aims and objectives. The survey, consisting of 15 questions, focuses on finding mobile travel application users from all around the world who visit Riga. First three questions are about the demographic information of the user: gender, age and origin. The questions from four to fifteen are divided into two categories: first, information about the buying behaviour of trips and second information about the usage of mobile travel applications. All questions are multiple choice questions, except two open-ended ones. Besides, respondents can choose preferable language from English, German, Russian or any others. Out of 40 respondents, 10 people have been contacted through social media (Facebook) and e-mail and then asked to answer the questions.
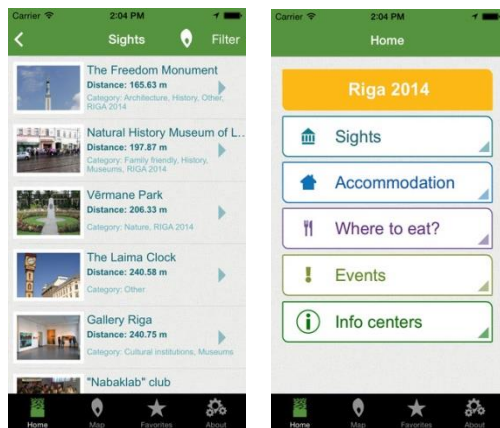
Results

Based on the analysis of information acquired through the questionnaire the following major issues for tourists rise when they come to this region: information needs, transportation possibilities, intelligent guides. Information needs issue includes tourist greetings with essential information of the region police and ambulance phones, consulate or embassy contact information; the main country laws and regulations (e.g. prohibition of smoking and drinking public areas, regulations for attending churches, taking photos of government buildings); region specific information (e.g. how to use public transport, left-hand or right-hand driving); tourist safety information with description the most popular incidents when a tourist can lose his/her money. Transportation possibilities issue includes public transport schedule, interactive map, route selection; taxi phone numbers; ridesharing possibilities. Intelligent guides issue includes: information about attraction and places of interests; suggestions which attraction is better to attend and how to reach it, based on tourist preferences and current situation in the Riga region. From the answers of questionnaire, it is possible to demonstrate uses of mobile travel application (Table 1).

Table 1. Mobile Travel application usage categories (Source: Questionnaire results)

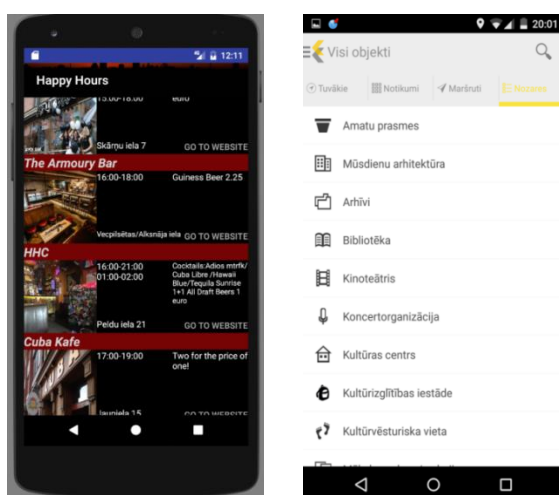| Online Bookings	Information Needs	Location Based services	Trip Journals
Car Rental	Airport Information	Map & Navigation	Travel Management
Airlines	Flight Tracking	Travel Security	Travel Expense
Train, Cruises	Destination Country	Travel Guides	
Taxi	Public Transport		
Online Booking Engine	Tour Operators		
Last minute Hotel Booking	Hotel & Hotel Chains		
Tour Operators	Travel Guides		
Hotel & Hotel Chains			

Whether travellers visit Riga or just travel around Latvia, there are some mobile travel applications. Tourist routes, nearby accommodation, information about landmarks and tourist attractions and cultural events can all be found in these applications for smartphones and tablets (Fig.1).

Fig. 1. Screen shots of Latvia.Travel mobile travel application (Source: http://www.latvia.travel/en)

An application created by the Latvian Tourism Agency (TAVA) offers information in five categories: places to see, accommodation, food and restaurants, tourism information centres and a list of upcoming events. The app is available in four languages – Latvian, English, German and Russian. These travel information applications are also available from different parts of Latvia - the Tukums Tourist Information Centre has created an application called "Visit Tukums", whereas Valmiera offers an application called "Valmiera", which contains information about the region, the latest information on the events, what to see, the possibility of accommodation and other information beneficial for travellers.
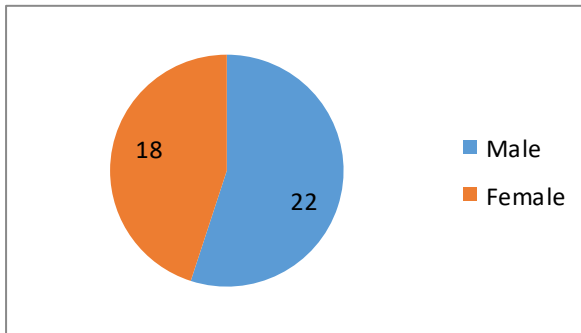

Fig. 2. Screen shots of Kulturas Karte application (Source: https://www.kulturaskarte.lv)

There is also full-featured mobile travel application called "Kulturas Karte" offering information on lot of cultural landmarks nationwide (Fig.2).
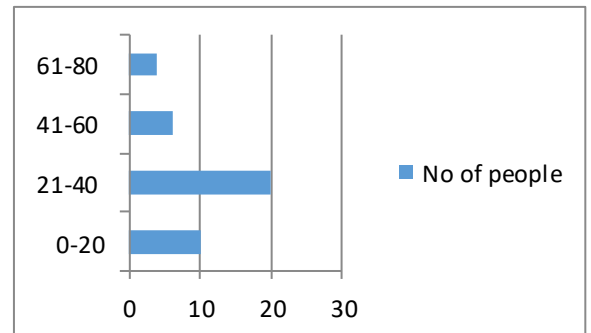
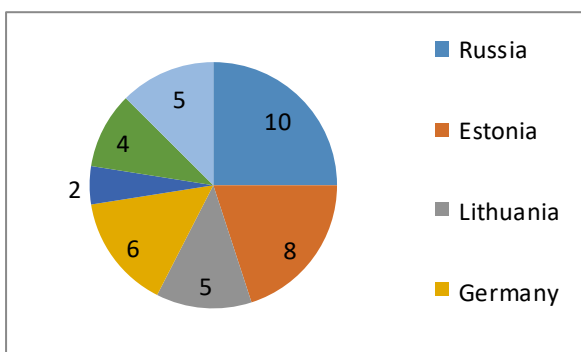**Fig. 3. Screen shot of Riga Tourist Guide application** (Source: http://www.latvia.travel/en/city/riga)

There were 40 unknown respondents who were visiting Riga, including 22 males and 18 females (Fig.4). Most of them were 21 to 40 years old age group, followed by 1 to 20 years old age group, and the third age group is 41 to 60 years old (Fig.5). A lot of them came from Europe, whereas for the majority of tourists the country of origin was Russia (10 people). The second big group was from Estonia (8 people), followed by Germany (6), Lithuania (5) and the United Kingdom (5). Also four travellers were from Norway and two from Japan (Fig.6). 38 respondents had smartphones (Fig.7), but only 30 had downloaded any mobile travel application. Six respondents did not know whether they had downloaded any mobile travel application in their smartphone as they were from 41-60 & 61-80 age groups (Fig.8). As smartphone and mobile application users tend to be the younger age group, it may be helpful target young visitors to identify future trends, rapid evolution and growth.
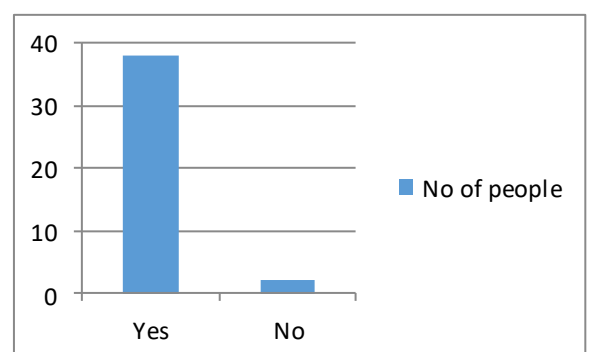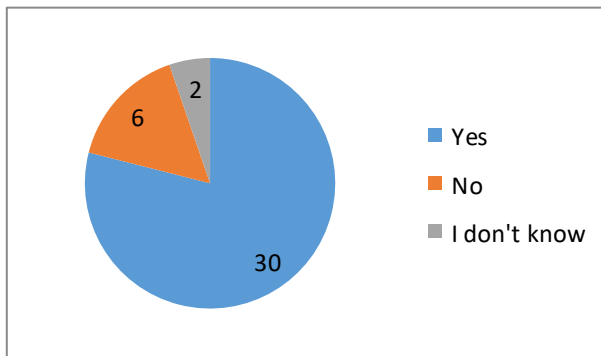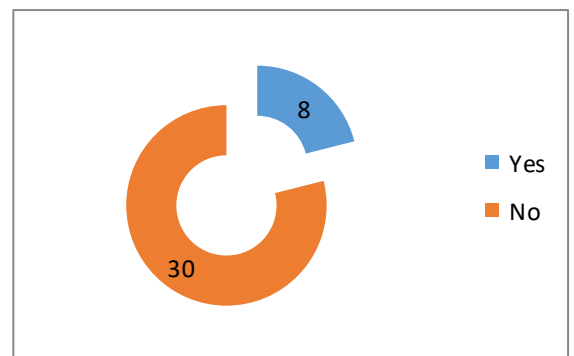

Fig. 4. Gender

Fig. 5. Age

Fig. 6. Origin
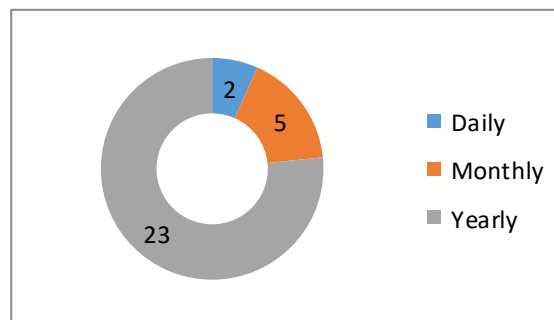

Fig. 7. Owning Smart phone

Fig. 8. Use of Mobile Travel applications

Fig. 9. Awareness of Latvia's MTAs

Among the applications identified by the respondents, the most frequently mentioned applications were Google Maps, Trip advisor, Google translate, Sky scanner, Latvia.Travel and Latvian Lonely Planet. The majority of respondents mentioned Google maps. Unfortunately, participants were not aware of the application "Kulturas Karte" made by Latvian tourism operators, though this app provides very valuable information. Also only eight out of thirty eight respondents were aware of "Latvia.Travel" app created by Latvian Tourism Organization which is the main travel application about Latvia (Fig.9).

As to the questions concerning the frequency of use and purpose of the use of Mobile travel applications, most respondents (23) use them once a year, as shown in Figure 10 above. In the cross analysis of these questions, it has been witnessed that most women between the ages of 41 and 60 use them once a month or a year, while men aged 21 to 40 use monthly or daily.

Fig. 10. Frequency of MTA use

The domestic mobile network users will naturally use the phone more often, because there is no roaming fee. The question 13 specifies the problems faced by the travellers from out of Latvia when using the MTA, such as: slow service, difficulty in reconnecting to the Internet and Wi-Fi connections.

Due to these problems, most of the travellers use Mobile travel applications before the trip, planning trips and buying trips. Only five respondents mentioned that they were using those applications after the trip mostly for giving ratings and writing reviews.

But as of June 15, 2017, the EU terminated the roaming charges for all travellers. It is one of the biggest success stories in Europe not to charge additional costs for dialing, sending messages or surfing the Internet for mobile devices (ec.europa.eu, 2017). Thus, this will be a new platform for the mobile application service providers to lift their operations.

For the question of payment for mobile travel applications all of the respondents mentioned that they had never paid anything for any Mobile travel application as most of the useful applications are available for free. And it seems that they don't wish to pay for this in the future as well.

Fig. 11. Preference of Mobile Travel apps

Travellers in general want to get the best service in mobile travel applications. The flight booking, followed by the hotel bookings are in the priority list. Car rental reservations and entertainment reservations for concerts, restaurants and museums have the lowest score in the preference of mobile travel applications. Cross age analysis revealed that all people from 41-60 age groups mostly concern about the Hotel bookings and Flight bookings through Mobile travel applications (Fig.11).

Conclusion

This research has shown that smartphones are being used more and more, and mobile applications are expected to be used more. Changes in consumer buying behavior are slowly developing. When using mobile travel applications, the consumer's future needs are security, simplicity, and accessibility.

Majority of the respondents have stated that the mobile travel application sites offer the same prices for the bookings as traditional travel providers; travellers still would like to choose the Internet to book flights and hotels.

The results of the study reveal that respondents have mostly been from Europe, mobile travel applications can be used anywhere in Europe, but the study has found that roaming charges is the biggest barrier to use mobile travel application.

The other important problem mentioned by 25 guests out of 38 is Wi-Fi access and insufficient connectivity in Riga. The solution here is offered by various travel stakeholders by promoting and developing Wi-Fi point networks for visitors, for example by Lattlecom.

However, when asked about the preferable service of the mobile travel applications, 73% of the respondents have named the map of the destination which indicates that the user really wants to use the application while traveling rather than at the planning stage.

As 65% of the respondents have confessed, most of the applications on the market are not user-friendly, do not provide accurate data, and do not allow access to data in multiple ways, such as map access, application loading, and real-time feedback to users.

As majority of the tourists come to Riga from different language speaking countries, the travel applications from Latvia lack providing information in many different languages, for example in Russian, German, English, Swedish, Danish.

More than 80% of the travel applications have been downloaded before visit to Riga also they are the applications being used worldwide. And the study also underlines that visitors are most likely to download an application when it is free.

The main priority subcategories for mobile applications are: map routing, book flight tickets, hotels and those, allowing to find general information about places and city.

Recommendations

For the future application makers or existing service providers in Riga, it might be recommended to make more user-friendly applications which have a good usable map of the destination and more general information about the place visiting.

The mobile travel application providers should have the understanding of the market, current technology and how it is used. Market feasibility assessment before designing or introducing an application and regular update is strongly recommended.

The application service providers must make sure to collect data and important statistics from travel application such as numbers through the inquiries and reservations.

There sould be more free offline applications in Riga to use while traveling for the inbound tourists, so that they wouldn't be scared of the high roaming costs.

More popular travel guides are undergoing online application technology as the traditional hard copy of travel guides are more expensive than travel apps. (Example: Lonely Planet)

Thus, Riga tourism providers must concentrate on implementing this strategy to convert journal guides to electronic guides. (Example: Riga Travel guide)

To create free Wi-Fi zones in Riga region would be the finest opportunity, as the lack of free Wi-Fi zones in Riga city dissatisfies some visitors. Also once free Wi-Fi zones are implemented, it is important to inform tourists about it through virtual displays, on Riga tourism information websites, as well as in information centers.

The electronic device charging station will help the business. Thus, establishing outlets in common places and sightseeing places to charge low battery Smart phones, i- Pads, and even laptops will encourage travelers to use the apps.

Riga Tourism operators should focus more on promoting their mobile applications as Riga's mobile travel applications are downloaded from mobile applications stores and not from the websites offering tourism services. For example it is possible to greet guests on Riga's mobile apps at the airport upon the arrival of tourists.

Given that starting from June 2015 the EU has terminated the roaming charges for all travellers, the Riga tourism operators should consider developing more convenient mobile apps (ec.europa.eu, 2017).

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POSSIBILITIES OF TQM IMPLEMENTATION AT HOSPITALITY RELATED ENTERPRISE

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Abstract. The aim of this paper is to classify the depth of TQM implementation in already existing hospitality related enterprise of Latvia by using a survey methodology method and propose the possibilities of TQM implementation. Specifically, 13 questionnaires were spread around among the employees of the Hotel Justus 4*. The 5 usable questionnaires were returned. The findings revealed, that the TQM principles in Hotel Justus 4* were implemented to a great extent. The received data in this research will be useful to the students and lecturers, who are involved in the hospitality industry.

Key words: TQM, Hospitality, Management, Customer satisfaction, Employees

Introduction

Every day the hospitality environment is becoming more and more challenging, forcing organizations to apply and implement new approaches and techniques, one of which is TQM, in order to exceed customers' expectations, remain competitive and achieve business excellence (Samson and Terziovski, 1999; Pavlic et al., 2004). TQM principles allow to improve the organizational efficiency within business and to stand out among the enterprises of the same league (Yusof and Aspinwall, 2000).

This study sets out the goal to explore the depth and possibilities of TQM implementation in one of the hospitality related enterprise and determine, if this enterprise is capable of competing on the market. Hotel Justus 4* had been chosen for this research paper. A survey methodology method was applied, in order to collect the information, relevant to the research.

The main question, on which this research aims to find the answer is whether or not the principles of TQM are implemented in the chosen hospitality related enterprise and to what extent?

Literature Review

Today, it is very hard to introduce a single universal definition of TQM (Lau and Anderson, 1998). All quality researchers provide their own definitions, and therefore there is no universal agreement about the definition of TQM (Deming, 1982). As an example, Berry (1991) defined TQM as a total corporate focus on meeting and exceeding customers' expectations and significantly reducing costs resulting from poor quality by adopting a new management system and corporate culture. Kanji (2002) defined TQM as a management philosophy that fosters an organisational culture committed to customer satisfaction through continuous improvement. A similar definition was provided by Antony et al. (2002), who defined TQM as "an integrative management philosophy aimed at continuously improving the

performance of products, processes and services to achieve and exceed customer expectations".

Taking all these definitions into account, TQM can be defined as the process of continuous improvement, which main goal is to meet and exceed customers' expectations and ensure that every stage of the product production is at the best level. Customers are considered to be the final judges of the quality, and any enterprise, where TQM is implemented, constantly uses customers' feedback for ongoing improvement of products and services. Customer satisfaction is the main point behind TQM implementation (Claver, et al., 2003). Organization, which makes its customers satisfied, receives many benefits from it. Satisfied customers improve the image of the company. It becomes more trustworthy from customers' point of view. Besides, satisfied customers will tell to other potential customers only positive things about the company (Talib, Rahman, 2010). Employees, on the other hand, are the main gears, which make the whole concept of TQM to work (Ahire, Golhar, 1996).

Basically, in order for TQM to work, it is necessary to eliminate any ambience of competitiveness within the organization (Lakhe, Mohanty, 1994). The enterprise, which promotes TQM, must create the environment of cooperation. In addition, upper management of the organization must be available to the bottom employees (Thiagaragan et al, 2001). This must be done, because the successful outcome of TQM implementation requires constant sharing of ideas and knowledge between every person within the organization. But the reason for such step is to make sure, that every employee feels that he is important to the organization and that his opinion about different matters is valuable (Sila, Ebrahimpour, 2003). However, one of the crucial parts of TQM lays within the complete elimination of fear in the organization. The fear of sharing new ideas, of being fired for making mistakes and basically, the fear of sharing with colleagues and reporting to the upper management about made mistakes- every such particular fear must be eliminated in order for TQM to work (Saunders, Graham, 1992)

Sharing the information with the rest of employees about the current situation in the organization is another important aspect of TQM. The upper management must share the statistics with the rest of employees in order for the latter to understand the situation and to see the results of all applied efforts (Kaynak, 2003).

Another crucial aspect of TQM is to avoid parsimony. Sufficient amount of money must be spent on materials and equipment of finest quality. This is also applicable to the salaries of employees (Karia, Asaari, 2006).

Nevertheless, all previously mentioned aspects of TQM will be in vain, if it is applied for a short period of time and then ceased, after the positive results of the latter have been seen and grasped (Hansson, Klefsjö, 2003). The core element of TQM is its longevity, or its permanence. TQM is a long-term process, but rather than that, it's also a philosophy and a culture, which not only upper management must embrace, but also each and every employee (Ho, Duffy, Shih, 1999).

Origins of TQM go down to Edward Deming, who can be considered as one of the originators of Quality Management (QM) concept, having applied many ideas of Walter Shewhart in his treatise (Saunders, Graham, 1992). In 1940s, Japan was facing harsh industrial environment. Japanese products were perceived as products of low-quality. Then industrial leaders of Japan

recognized this problem and aimed to produce innovative high-quality products. They decided to invite gurus of quality. Edward Deming was one of them (Lakhe, Mohanty, 1994).

Deming taught the methods of statistical analysis, which were later further developed by Japanese engineer and statistician Genichi Taguchi. Deming also advanced his system of "Profound Knowledge" in order to teach executives of effective quality control in Japan. Japanese also followed the suggestions of other gurus, and due to their implementations, in 1950s the quality control and management had become a main theme of Japanese management. However, the idea of upper management being solely responsible for the quality had been erased. Kaoru Ishikawa, another innovator in quality management, began the onset of "quality circles" across the Japan in 1960s, which had brought a new sight on the quality management. Basically, the quality circle is a group of volunteers, who meet together and discuss issues, which will help to improve any aspects of their workplace. They also present their ideas to the upper management. Kaoru Ishikawa, another innovator in quality management expanded the idea of quality circles (Omachonu, Ross, 1995; Martinez-Lorente et al., 1998).

In 1969, the term 'total quality' was used for the first time in a paper by an American quality expert Armand V. Feigenbaum at the first international conference on quality control in Tokyo (Martinez-Lorente et al., 1998; Lau, Anderson, 1998). Finally, in 1980s, inspired by the Japan's successful implementation of quality control tools and methods, western companies began to introduce their methods of quality improvement. This is the time when the term "Total Quality Management" has been born.

Joseph M. Juran, a renowned missionary for quality management stated, that total quality management begins from the highest position in the management, and continues all the way to the bottom. Nonetheless, the bottom employees of the company represent the biggest challenge of TQM implementation within the organization (Ahire, Golhar, 1996). Many employees are not ready for TQM implementation because it requires the total change of the corporate culture of the company. Besides, it is very hard to involve employees of low ranks, who are not concerned about company's future. Furthermore, if upper management will succeed in implementing TQM philosophy among all its employees, then the first failure or just lack of instant result might put all efforts of TQM implementation in vain, and many employees will be highly demotivated for the second attempt (Antony et al., 2002). TQM also usually requires high financial investments. Although this might be considered as a drawback, in long-term perspective, the increase of quality will reduce the expenses and will increase the revenue dramatically. The expenses will be decreased greatly by adhering to the Zero Defects management-led program devised by Philip Crossby. Crosby's Zero Defects is a performance method and standard that states that people should commit themselves to closely monitoring details and avoid errors. In the long run, by doing this, they will move closer to the zero defects goal. Finally, TQM requires lots of time and patience (Janakiraman & Gopal, 2006).

Methodology

The questionnaire, consisting of 10 statements, has been given to 13 employees of the hotel Justus. The respondents had to rate each statement from 0 to 10 points, where 10 points mean that the statement in the questionnaire is correct whilst 0 points mean that this statement has nothing to do with the company. Below is the list of statements:

1. Our top and middle managers are dedicated to daily improve the quality of products and customer service.

2. Our hotel has an accurate and complete picture of the needs of our customers, and we regularly maintain and update our data.

3. External customers are playing a key role in setting priorities for quality planning.

4. Our hotel improves the quality of products and services to a greater extent through proactive actions, rather than control actions.

5. Our hotel constantly supports the efforts of its staff regarding the improving of the quality of products and services through training and informing.

6. Our hotel always successfully adapts to the changes of the needs and expectations of our customers.

7. Competition within the staff members is not encouraged by the top and middle managers.

8. Every employee of our hotel is focused to undertake concrete steps to meet and anticipate the needs and expectations of our customers.

9. Every employee is encouraged to improve the quality of products and services and gets appropriate reward for that.

10. Every employee's thought has been taken into consideration to make any quality decision.

Results

Out of 13, 5 usable questionnaires have been returned, 2 of which have been provided by receptionist, 2 by waiters and 1 from the kitchen employee. The received data shows, that TQM principles serve as a core element of Hotel Justus 4*. Diving more into details, all questions under numbers 1,2,3,4,5,6,8 got 10 out of 10 points. This means, that customer satisfaction is the most important thing for that hotel as well as the fact, that Justus is ready to invest sufficient amount of money and time to prepare its employees for delivering the highest possible quality. Question № 5 proves that point. Question number 10 also got the highest possible score. That means, that employees are not frightened to provide their opinions and give suggestions regarding quality improvement. It also implies, that every employee is perceived as an "engine of progress", rather than just a person, who performs monotonous actions for a fixed wage. However, questions number 7 and 9 leave some room for improvement. While the question № 9 received ten points, the question № 7 didn't. Obviously, employees get solid money for their ideas and actions regarding quality, however, less points given to question number 7 means that there is still some competition between employees. The problem lies within the rewarding process. More precisely, every employee is rewarded only for his own ideas, and that breeds competition in the organization.

According to the returned questionnaires, the average score equals 94. That indicates, that TQM principles in Hotel Justus 4* are implemented to a great extent.

Conclusion

The research shows, that due to the implementation of basic TQM principles, Hotel Justus 4* can be perceived as a very competitive hotel, which aims to provide very qualitative products and services. However, to truly implement the TQM principles, it is necessary to erase any sort of competition. This can be achieved by rewarding every person of the organization for the results, provided by the individuals as well. Of course, this might seem as an unfair practice with respect to the individuals. Nevertheless, if TQM principles are implemented correctly, then individuals won't feel irritated, since it will be clear for them, that all efforts are put into achieving mutual goals and that they will be generously rewarded in the end. What is more, this improvement must remain permanent. It is also necessary to adhere to the continuous improvement of other aspects within the hotel. More precisely, Justus can stay competitive by constantly collecting its data regarding new appearing trends in hospitality, customers' expectations and technology in order to provide its staff with the proper continuous training, make its products relevant and upgrade its technology for the sake of meeting new established requirements. While doing these things, Justus must also focus on constantly reducing any arising errors to a zero level. At last, TQM implies that all previously mentioned steps must be transformed into cycle, which must be repeated over and over again.

Naturally, hotel Justus alone does not represent hospitality industry in Latvia. There are many other hotels in Latvia and suggesting possibilities of TQM implementation in them would have made Latvia even more attractive travel destination. That's why, further study and research would have been proved to be beneficial

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PERSONNEL TRAINING AND DEVELOPMENT AS A MEANS OF A QUALITY MANAGEMANT IMPROVEMENT

Anna Maria Sterikhova

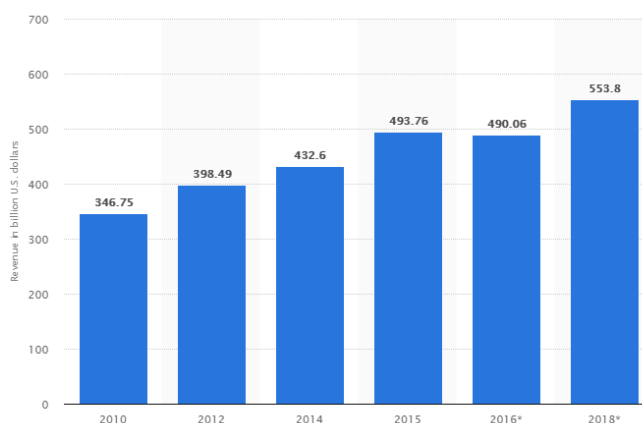*HOTEL SCHOOL Viesnīcu biznesa koledža, Latvia, sterihovamaria@gmail.com*

Abstract. In this work, the author studied the topic "Personal training and development as a means of quality management improvement". This research examines the personnel training and development as a tool for organizational efficiency. The work begins with information about the hospitality industry around the world, changes over the past 5-10 years, the impact of the growth of this industry on the quality of work of employees. The study adopts a qualitative approach using questionnaire as a main instrument of primary data collection. The employees of one of the Spanish hotels are interviewed. Finally suggestions for improving the work of the staff in general, based on the basic principles of Total Quality Management, are offered.

Keywords: Quality, Management, Hospitality Industry, Personnel training, Total Quality Management (TQM)

Introduction

The hospitality industry is one of the fastest growing businesses all over the world that generates billions of money and offers plenty of new career and employment opportunities to people with various backgrounds. The hospitality industry is a big business all over the world.

Statistics shows the global hotel industry revenue from 2010 to 2015 with forecasted figures for 2018. The global hotel industry revenue was 493.76 billion U.S. dollars in 2015 (Fig. 1).

Fig. 1. Global hotel industry retail value from 2010 to 2018 (in billion U.S. dollars)

Over the period 2005-2016, the number of nights spent in tourist accommodation establishments in the EU grew by 26%. In particular, there was significant increases in the number of nights spent by non-residents (+ 40%) while the number of nights spent by residents during domestic trips increased by 15% (Fig. 2).

Note: EU-28 aggregate including estimated values for missing data.

Fig. 2. Trends in nights spent in EU tourist accommodation establishments

Following an increase of 4.2 % in 2015, the number of nights spent in tourist accommodation in the EU continued to grow in 2016, by 3.0%, reaching nearly 2.9 billion nights (Fig.1).

More than two out of three of these nights were spent in five member states: Spain (16%), France (14%), Italy (14%), Germany (14%) and the United Kingdom (10%) (Table 1).

Table 1. Nights spent in tourist accommodation establishments, 2016

	Nights spent in tourist accommodation establishments (Thousand)	Share in all nights spent in EU-28 tourist accommodation establishments (%)	Share in total tourist accommodation (%)		
			Hotels and similar accommodation	Holiday and other short-stay accommodation	Camping grounds, recreational vehicle parks and trailer parks
EU-28(¹)	2 873 002	100.0	65.0	22.0	13.0
Belgium	36 855	1.3	46.6	45.9	7.5
Bulgaria	25 186	0.9	92.6	7.2	0.2
Czech Republic	49 697	1.7	73.4	21.0	5.6
Denmark	31 896	1.1	47.1	18.2	34.7
Germany	388 852	13.5	71.9	20.3	7.8
Estonia	6 228	0.2	81.1	18.9	0.0
Ireland	31 106	1.1	84.4	12.2	3.3
Greece	101 855	3.5	78.4	20.0	1.6
Spain	454 957	15.8	72.8	19.2	8.1
France	404 763	14.1	50.4	21.9	27.7
Croatia	77 824	2.7	29.9	47.6	22.5
Italy	402 858	14.0	66.4	20.1	13.5
Cyprus	15 349	0.5	>99.9	0.0	<0.1
Latvia	4 417	0.2	80.3	16.5	3.2
Lithuania	6 993	0.2	54.8	44.2	1.0
Luxembourg	2 956	0.1	59.3	7.9	32.8
Hungary	29 291	1.0	77.6	16.3	6.1
Malta	8 971	0.3	97.0	3.0	0.0
Netherlands	106 213	3.7	42.0	38.3	19.7
Austria	117 957	4.1	76.4	18.6	5.0
Poland	79 394	2.8	55.8	42.8	1.3
Portugal	66 014	2.3	83.7	6.3	10.0
Romania	25 275	0.9	84.0	15.1	0.9
Slovenia	11 058	0.4	64.0	23.3	12.6
Slovakia	13 895	0.5	69.2	28.7	2.1
Finland	20 343	0.7	81.7	9.3	8.9
Sweden	57 234	2.0	61.7	11.0	27.3
United Kingdom(²)	295 565(u)	10.3	60.1	24.0	15.9
Iceland	7 808	:	66.2	21.8	12.0
Liechtenstein	131	:	83.6	15.1	1.2
Norway	33 008	:	68.0	9.1	22.9
Switzerland	50 397	:	70.5	24.0	5.5
Montenegro(²)	11 250	:	27.8	72.0	0.3
Former Yugoslav Republic of Macedonia	1 695	:	76.3	21.4	2.4
Serbia(²)	7 502	:	66.4	33.0	0.6
Turkey(²)	133 881	:	99.9		0.1

Talking exactly about Spain, this country has a 7% quote of all the worldwide international tourism making Spain the country with the second largest number of foreign tourists every year (Repina, 2016).

According to the Spanish National Institute of Tourism, in Spain there are 11,598 hotels, of which 1,872 hotels are classified as 4-5 stars. (This is 16% of all Spanish hotels and almost a third of the total number of placements), boarding houses for 125 thousand places and campsites for 1.2 million seats (Malik, 2016).

Hospitality industry in Spain is very popular, which can be explained by the specifics of the country. The major reasons for the rapid flow of tourists are a rich, centuries-old history; diverse national culture; the uniqueness of climatic conditions; hot sun, warm sea coast, mountains, clean beaches and good ecology, etc. Spain is considered one of the most accessible and visiting countries in Europe, over 45 million tourists come to the country every year, which makes it one of the most popular tourist centers in the world.

144 thousand employees work in Hospitality industry in Spain. This country is really good *place to study* tourism and hospitality. This industry *is one of the greatest* developed in the Spanish economy; more than 10% of the working population is directly connected with the tourism sector (Malik, 2016).

According to the personal author`s experience, a large number of employees who have never been trained in hospitality industry are hired nevertheless. Because of the huge flow of tourists, many hotels are interested in quantity, not quality.

Personnel are the most valuable assets of any organization. Knowledge is the ability, the skill, the understanding, the information, which every employee is required to acquire in order to work effectively and for the organization to function efficiently. Therefore, training and development play a vital role in improving performance as well as increasing productivity, and eventually putting companies in the best position to face competition and stay at the top. This means that there is a significant difference between the organizations that train their employees and organizations that do not (Obucunola, 2016).

Training and development is a type of activity which is planned systematically and it results in enhanced level of skills, knowledge and competency that are necessary to perform work effectively and efficiently. Training generates benefits for the employee as well as for the organization by positively influencing employee performance through the development of employee knowledge, skills, ability, competencies and behavior (Gordon 1992).

The Rosamar Garden Hotels Group, located in Spain, has been chosen for this research. Within this group, hotels, all between 3 stars, 4 stars and 4 star Superior, provide specific services to meet the needs of customers.

The aim of this study is to investigate the impact of personnel training and development on organizational efficiency. 10 employees from the hotel have been asked to respond to the following questions:

1. Have you ever studied hospitality management before joining the organization?

2. Have you ever attended any training and development program?

3. What do you understand by training?

4. Your organization considers training as a part of organizational strategy. Do you agree with this statement?

5. How often the training program is conducted in your organization?

6. Does the training help to improve employee – employer relationship?

7. Does the training program help to increase the productivity in terms of quality and quantity?

8. Do the training methods focus on development of team work and leadership skills?

9. Do training and development activities help the organization to maintain employee relation rate?

10. Are you satisfied with the effectiveness of training program?

The vast majority of respondents (60%) confirmed that the training and development help to improve employee – employer relationship, 50% strongly agree with meaning that the activities help the organization to maintain employee relation rate. It can provide for the development of managers and supervisors capable of organizing and developing effective management systems for the accomplishment of company's goal and objectives.

60% of respondents answered "agree" that the training program help to increase the productivity in terms of quality and quantity. It's designed to improve productivity, effectiveness and efficiency of service by development and better utilization of talents, abilities and potential of employees. 30% strongly agree that the training methods focus on development of team work and leadership skills. Training programs help employees develop their knowledge, skills and abilities so that they might become better qualified to perform the duties of their present jobs and advance to more responsible positions. Also, to improve productivity, effectiveness and efficiency of service by development and better utilization of talents, abilities and potential of employees.

70% of employees have never studied hospitality management before joining the organization. Consider the popular and often repeated quotation, "Give a person a fish and you feed him for a day. Teach a person to fish and you feed him for a lifetime." (Mcclelland, 2002). This saying has explained clearly how important it is to train an employee to conquer his/her work than just give him/her a job of income. By observing today's business climate and the exponential growth in technology with its effect on the economy and society, the need for training is more pronounced than ever.

*E*mployees are supposed to have some kind of "motivation" as well. William James, a psychologist from Harvard, believes that through the motivation the performance of employees may be added with the ability and reach a high level. According to him: "Researches proved that using scientific rational and effective incentives to motivate staffs can attract and retain qualified personnel, improve productivity, and help the organization to maintain and gain strength in the fierce competition" (Frost, 2017).

Literature Review

Total Quality Management (TQM) is a quality improvement body of methodologies that are customer-based and service oriented. TQM was first developed in Japan, and then spread in popularity. However, while TQM may refer to a set of customer based practices that intend to improve quality and promote process improvement, there are several different theories at work guiding TQM practices (Bowen, 2013).

According to Deming theory of Total Quality Management rests upon fourteen points of management he identified, the system of profound knowledge, and the Shewart Cycle "Plan-

Do-Check-Act" (Fig. 3). Deming is known for his ratio - Quality is equal to the result of work efforts over the total costs. If a company is to focus on costs, the problem is that costs rise while quality deteriorates. Deming's system of profound knowledge consists of the following four points:

- System Appreciation - an understanding of the way that the company's processes and systems work

- Variation Knowledge - an understanding of the variation occurring and the causes of the variation

- Knowledge Theory - the understanding of what can be known

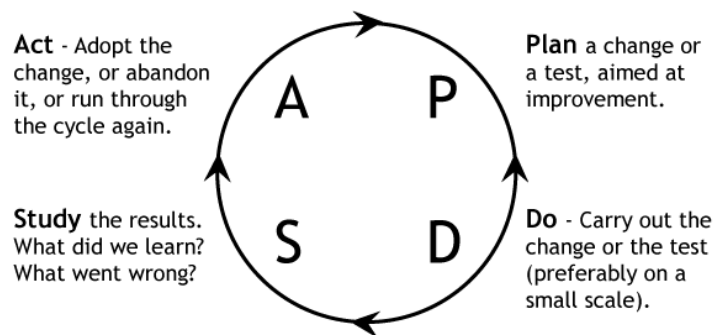- Psychology Knowledge - the understanding of human nature

Fig. 3. Shewart Cycle "Plan-Do-Check-Act"

By being aware of the different types of knowledge associated with an organization, then quality can be broadened as a topic. The fourteen points of Deming's theory of total quality management are as follows:

1. Create constancy of purpose

2. Adopt the new philosophy

3. Stop dependence on mass inspections

4. Don't award business based upon the price

5. Aim for continuous production and service improvement

6. Bring in cutting-edge on the job training

7. Implement cutting-edge methods for leadership

8. Abolish fear from the company

9. Deconstruct departmental barriers

10. Get rid of quantity-based work goals

11. Get rid of quotas and standards

12. Support pride of craftsmanship

13. Ensure everyone is trained and educated

14. Make sure the top management structure supports the previous thirteen points (Bowen, 2013).

Plan-Do-Check-Act (PDCA) is a cycle created for continuous improvement. In the planning phase, objectives and actions are outlined. Then, actions are performed and process improvements are implemented. Next, quality is checked against the original. Finally, acting requires determination where changes need to occur for continued improvement before returning to the plan phase (Deming, 1990).

Philip Crosby is another person credited with starting the TQM movement. He made the point, much like Deming, that if money is spent on quality, it is money that is well spent. Crosby defined four absolutes of quality management and his own list of fourteen steps to quality improvement.

Crosby's four absolutes are (Bowen, 2013):

- Quality is defined as adherence to requirements

- Prevention is the best way to ensure quality

- Zero Defects (mistakes) is the performance standard for quality

- Quality is measured by the price of nonconformity

One more management consultant, an evangelist for quality and quality management, was Joseph Juran, who is responsible for what has become known as the "Quality Trilogy". The quality trilogy is made up of quality planning, quality improvement, and quality control. If a quality improvement project is to be successful, then all quality improvement actions must be carefully planned out and controlled. Juran believed there were ten steps to quality improvement. These steps are:
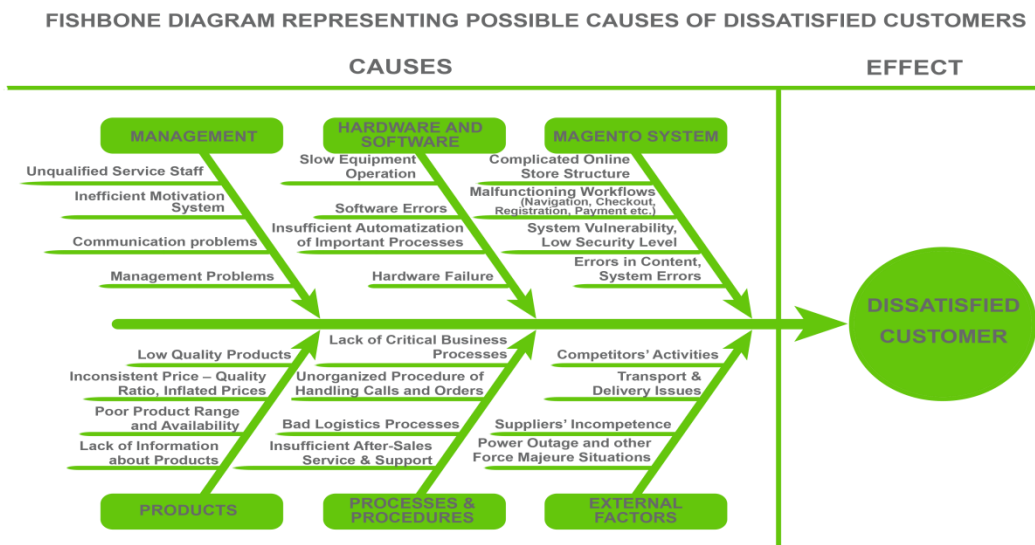
1. An awareness of the opportunities and needs for improvement must be created

2. Improvement goals must be determined

3. Organization is required for reaching the goals

4. Training needs to be provided

5. Initialize projects

6. Monitor progress

7. Recognize performance

8. Report on results

9. Track achievement of improvements

10. Repeat

Creator of the last theory, Dr. Kaoru Isikawa is often known for his namesake diagram "Fishbone diagram" (Fig. 4), but he also developed a theory of how companies should handle their quality improvement projects. He pointed out that there were seven basic tools for quality improvement. These tools are:

a) Pareto Analysis, which helps to identify the big problems in a process.

b) Cause and Effect Diagrams, which help to get to the root cause of problems.

c) Stratification that analyzes how the information that has been collected fits together.

d) Check Sheets that look at how often a problem occurs.

e) Histograms, which monitor variation.

f) Scatter Charts, which demonstrate relationships between varieties of factors.

g) Process Control Charts, that help to determine what variations to focus upon. (Bowna, 2013)

Fig. 4. Fishbone diagram

Results

The research has shown that a wide range of tools and techniques is used for identifying, measuring, prioritizing and improving processes which are critical to quality. The common misperception about hospitality careers is that they are limited to operational, low-paying

positions in hotels and restaurants. This is no longer the case today as hospitality employers implement new strategies to entice and retain hospitality managers. To improve quality of hospitality industry it is necessary to:

a. Provide more training and development for existing staff

b. Seek individuals who show the potential to acquire new skills

c. Offer clear career development opportunities at hiring

Again these ideas and methods are featured prominently in modern interpretations of Total Quality Management methodology. The effective use of these methods and their application by the people who actually work in the organization and their commitment to this will only be possible if they are assured that management cares about promoting quality. Managers must show they are committed to providing the training and implementation of necessary support.

Methodology

In this work personal experience of the author, academic journals, books and questionnaire as sources of primary data collection have been used. The questionnaire is useful in exploring perceptions and evaluating the existing training program. Above all it tends to intensively examine real life context and situations.

Conclusion

The international focus on quality, combined with increasing costs of materials, equipment, labor and training, is driving the implementation of TQM as a competitive strategy in all types of organizations. These forces for change also provide an opportunity for an expanded role of human resource management in making TQM succeed.

Quality can no longer be viewed as the responsibility for one department. It is a company-wide activity that permeates all departments, at all levels. The key element of any quality and productivity improvement program is the employee. Consequently, employee commitment to a TQM program is essential. Because of its fundamental employee orientation, HRM should seek the responsibility for implementing TQM programs rather than risk losing their influence over the key element of TQM - the employee.

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QUALITY MANGEMENT IN THE GALLERY PARK HOTEL: PROBLEMS AND SOLUTIONS

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Abstract. The purpose of this research is to overview the quality management practices in the Gallery Park Hotel and SPA, 5 star luxury hotel situated in Riga, Latvia. Issues related to service quality in the boutique hotels are discussed. This research helps to define the most suitable definition of the terms "quality" and "quality management" in the hotel industry. The quality management and the main problems that it faces in the Gallery Park Hotel are overviewed based on the questionnaire of the employees. Appropriate solutions are offered for implementing to change the situation for better. A few quality management tools are suggested to use. This research seeks to advance the knowledge and to expand understanding about the quality management in the hotels. The students studying hospitality industry can benefit tremendously from involvement in the research. It can help them to develop valuable practical and analytical skills and helps to explore the field in greater depth. This research is designed to generate new understanding of the quality management in the Gallery Park Hotel and to find ways to overcome possible problems.

Key words: Quality management, quality, total quality management, hotel

Introduction

The statistics portal states that tourism and hospitality industry is the largest industry nowadays (Statista, 2017). "Each 8 people of the world work directly or indirectly in this sector. A powerful industry with a lot of potential and new requests of demand is going to adapt for challenges day to day" (Rajko Z. 2015).
And as there are a great number of challenges the wise management in the sphere is not just needed but is vital to make strategic movements for development. The main task of any efficiently operating enterprise, including hotels, is to find ways to increase the competitiveness of its products. Now when we live in times of tough competition the quality comes to the fore front in any business. Only quality can attract the customers and provide a profit for an enterprise in the market full of similar products if not identical. Quality Management and continuous improvement of the quality are very close because they influence the customer satisfaction and later for their loyalty which is regarded to be of vital importance to any hospitality industry. Because of the constant change of the preferences of customers especially in the hotel industry the quality management importance can rise to an extraordinary level.
According to American Society for Quality (ASQ) (2017) the quality movement can trace its roots back to medieval Europe, where craftsmen began organizing into unions called guilds in the late 13th century. Of course the quality management as any other field evolves over the years through progression and now it is considered to be one of the fast developing fields.But first of all it is important to understand what the quality itself is. This research helps to define the most suitable definition of the terms "quality" and "quality management" in the hotel industry.

Literature Review

According to the Oxford Dictionary the quality is "the degree of excellence of something". This definition is too general and too vague. But in J.P. Russell's article the term quality has been defined as "fitness for use, conformance to requirements, and the pursuit of excellence"

(Russell, 2017). In the hospitality industry it is usually defined as "the consistent delivery of products and guest services according to expected standards" (Hayes, Ninemeier & Miller, 2011). The more detailed definition can be used according to the Economic dictionary. The term quality there is a set of properties, characteristics of products, goods, services, works, labor, which determine their ability to satisfy the needs and demands of people, to meet their purpose and requirements. Quality is determined by the measure of the conformity of goods, works, services with the conditions and requirements of standards, contracts, contracts, customer requests.

Quality needs to be a primary goal of any company. Quality is vital to successful organizations. It is a crucial parameter which differentiates an organization from its competitors (MSG Experts, 2017).

According to the Investopedia the Quality management is the act of overseeing all activities and tasks needed to maintain a desired level of excellence. The quality management is focusing on the quality of the product and service and the ways how to achieve this as well. Quality management tools help an organization to design and create a product which the customer actually wants and desires. Quality Management ensures increased revenues and higher productivity for the organization (MSG, 2017). Quality management consists of 4 main components:

- Quality planning
- Quality assurance
- Quality control
- Quality improvement

Total Quality management is defined as a continuous effort by the management as well as employees of a particular organization to ensure long term customer loyalty and customer satisfaction (MSG, 2017). It means meeting customer's needs, constant improvement, quality and consistency in everything the company is doing. But nowadays the customers have begun to expect a personalized experience tailored to meet their needs, stated and it can be a real challenge to hotels (Deloitte, 2017). The primary focus of quality management is to meet customer requirements and to strive for exceeding customer expectations (ISO.org, 2015). So it is possible to conclude that for the effective operation of a modern hotel, a system of quality customer service is needed and its continuous improvement must be developed, which will not only increase the demand for hotel services, but also can create its permanent client base – loyal clients.

Methodology

This research was conducted by using a questionnaire to measure hotel employees' perceptions of the quality management in the Gallery Park Hotel. The questionnaire, comprising 15 questions, was divided into two parts: one part containing open-ended questions, the other part – closed-ended questions. 7 employees of the hotel were interviewed/took part in the survey. Among the respondents there were managers, interns and workers of different departments of the hotel.

Results

The results of the survey have shown that all of the respondents think the quality is extremely important issue. Most of them determine the ideal quality management as the management of

the hotel when the greatest possible result is achieved in minimum time frame and minimum finance. It is associated with the good profit for the enterprise, with its competitiveness and recognition on the market. Most of them believe in ideal quality management when employees are satisfied with their salaries, when managers' attitude, as well as the atmosphere in the workplace, is positive, and when managers are satisfied with their work and work of their subordinates, when managers appreciate their work, are proud of it, trust and respect their subordinates. In a few words the ideal quality management for the workers of the Gallery Park Hotel is such a performance when workers of the hotel get both moral and material appreciation of their efforts.

On the question "How do you maintain the quality in your hotel?" all the respondents answered that staff training is practiced in the hotel. One of the managers added also the following practices:

- trainings based on case studies discussion;
- meetings arranged with each department separately;
- total control by management team;
- regular report of all the information to the management board;
- high requirements;
- staff examinations.

Some respondents also pointed out that requirements being high, there is not enough training for them or maybe the trainings should be revised and changed somehow in order to make the staff from different departments more universal. The questions "What goals would you like to reach in your quality management?" and "What is lacking for achieving these goals?" have shown that the staff needs to have stable structure between customers and the hotel, wants to reach higher revenues, to attract more loyal customers and to get higher customer satisfaction. They lack additional motivation and proper knowledge of the quality management, though the requirements remain very high.

On the question "What do you think can prevent the quality management?" some respondents pointed out that it is too much control and pressure, which restricts employees' initiative and therefore the opportunity for self-realization as well as the lack of organization and system. Others stated that it can be lack of experience and inability to implement theory into practice. Another important point is that it is difficult for them to identify the quality of the service they are trying to provide for their guests because the guests are different, with different expectations and as it is a boutique hotel all the guests are waiting for personalized quality service. The most complicated question for the staff was "What would you like to improve in the quality management of your hotel and how?" One of the managers thinks it is necessary to change the awards system of work process for the staff and organization in all the departments. Systematic approach should be implemented together with the team building activities. Another opinion was that more detailed analysis of quality control should be provided; as well practical measures should be taken to eliminate gaps. In order to follow the quality management frames, it is necessary to train personnel appropriately and to appoint special person who will check and direct the subordinate personnel appropriately. The main idea of all the answers was that this question should not be ignored and necessary steps should be taken to improve the current situation.

All the respondents agree that all the departments of the hotel are of equal importance for the successful work of the entire hotel. Enough attention should be paid to all of them. However, Guests Service is supposed to be the central department, which plays a role of a connection

center between all the departments and main transition point of all the information. This fact should be taken into account.

Speaking about the personnel of the hotel and its importance some respondents think that the hotel staff is the only factor that can significantly improve or worsen the quality of services. Others agree that the quality management is completely dependent on the staff, its behavior and treatment. But staff motivation plays a huge role in quality management. Also relationship in the team has a great influence on quality management. It was pointed out that the role of the managers and supervisors is important as well. Motivated and well-united employees tend to put more efforts in the work process and provide a higher quality. Despite some thoughts about the main importance and responsibility of the provided quality of the employees in the hotel, most respondents believe the managers are more responsible for quality management in the hotel. The quality of employees' work depends on the motivation, tasks, information and system provided by management. The question "Would you like to change something in the quality management of your hotel?" all the respondents answered affirmatively but only some of them can indicate what exactly they would like to change. According to their opinion it is necessary to change management approach, to improve bonus system, to increase salaries and to hire more employees. All the respondents agree that the general manager of the hotel is responsible for the quality control. But on the question "How the quality control is implemented in your hotel?" some employees answered that there is no precise control at all. Each problem situation is discussed separately after it has occurred. One respondent suggested the implementation of quality control through staff trainings, constant reporting to the general manager and video-surveillance system.

Two of interviewed employees found it difficult to answer all the questions and decided to express the common opinion about the quality in the hotel. The main idea was stated that the quality management is of vital importance but the Gallery Park Hotel needs improvement in this regard.

Conclusion

According to the conducted research it can be concluded that all employees understand the quality management as a broad concept and understand its vital importance for the success of the hotel. It was found out that the main obstacles in implementing good quality management in the Gallery Park Hotel are the lack of proper knowledge of the staff, too much pressure and very high requirements for staff without necessary knowledge base, absence of proper motivation and lack of clear leadership with obligatory quality planning and control.

As the Gallery Park Hotel is lacking programs for staff development in order to improve the knowledge of the quality management implementation the following solution, namely provision of the necessary training for the staff of the hotel, can be suggested. For example:
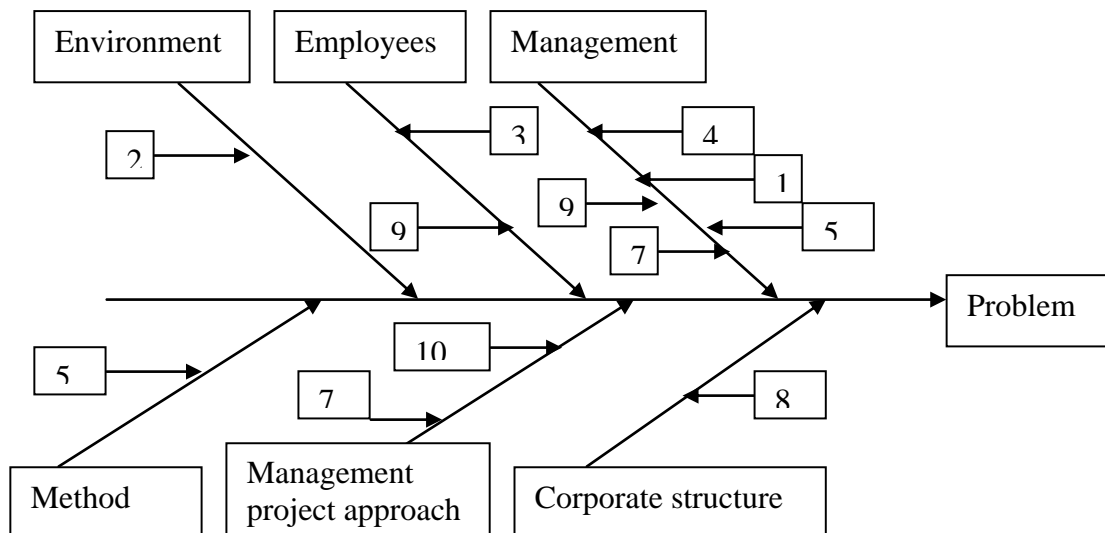
- The training on effective presentation of the services in order to increase sales and to provide better quality service.
- Conflict-management training (how to resolve conflict situations).
- Effective communication training.

Another solution that can be suggested is to use different quality tools for improving the situation in the Gallery Park Hotel. One of the tools is the Ishikawa diagram. This quality tool can help to visualize and organize knowledge that systematically facilitates understanding and final diagnosis of a particular problem. The diagram helps to determine the main factors that have the most significant impact on the development of the problem, as well as the prevention or elimination of these factors (ASQ, 2017).

The problem of the Gallery Park Hotel – not enough staff at the hotel at high season - can be divided according to the above-mentioned diagram into following factors:
1. the salaries cannot compete to other hotel staff salaries
2. there are not too much guests at low season and no need to increase the number of permanent staff
3. the staff has to speak English and Russian, not all meet the requirements
4. the bar itself and restaurant are not very profitable
5. there are high prices in the restaurant
6. there are not too much guests at the restaurant "from the street"
7. there are high level of requirements to the staff
8. there is contradiction between duties and powers
9. there is lack of motivation and training for the staff
10. there is absence of positive change

It is made in a form of diagram to be more visible and clearer (Fig. 1).

Fig. 1. Ishikawa diagram

According to the composed diagram it is possible to make a conclusion that the management of the Gallery Park Hotel is the main factor affecting the problem.

Another solution that can be suggested is to use the quality tool called PDCA (Plan-Do-Check-Act) or Deming cycle. "Deming wanted to create a way of identifying what caused products to fail to meet customers' expectations. His solution helps businesses to develop hypotheses about what needs to change, and then test these in a continuous feedback loop" (MindTool, 2017). This tool is suggested due to its simplicity and powerful way of resolving problems of the enterprise. At the first stage, the enterprise's capabilities are evaluated and the desired changes are planned. At the "implementation" stage, planned activities are carried out and the changes are evaluated. The third stage analyzes the results of control and draws conclusions. At the last stage, it is necessary to act on the basis of the conclusions drawn. If the change is successful, you must use the experience gained to make more significant changes. If the changes were negative, it is necessary to repeat the cycle, but according to a new plan (MindTool, 2017).

To summarize all the findings and conclusions it can be stated that the quality management is very important without any doubt. It leads to the customer satisfaction and it is the long-term success of the company – the main goal of any enterprise. The managers of any hotel should pay enough attention to the quality management implementation and control to prevent any problems and to improve the situation of the company for better in time as it is essential for any business to survive.

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GASTRONOMIC TOURISM IN RIGA: NEW TREND DEVELOPMENT

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Abstract. Research is focused on how people relate to institutions with a different cuisine based on the example of a particular cafe, and investigates how to increase the popularity of such institutions in Riga, so that visitors and locals would like to visit them. Research work begins with terminology, then the author proceeds to the explanation of what is popular in large cities and why, and finally tells about the gastronomic trend that is used in this research work. In this research work the author conducts research of small authentic cafe, where Italian dishes are served. Besides, the author explores people's attitude to those establishments where it is possible to try cuisine from different countries and especially where people can try and buy Italian cuisine and feel themselves in Italy. The author has conducted a survey of visitors to this restaurant and, based on the results obtained, presents proposals on how to improve competitiveness and increase the number of clients. In conclusion the author summarizes all the data and provides final report about this research.

Keywords: gastronomic tourism, Italian cuisine

Literature Review

Gastronomic tourism is a kind of tourism, the main purpose of which is acquaintance with this or that country through the prism of national gastronomy. For a gastronomic tourist, food is primarily a category of culture. From this position, traditional cuisine is perceived in connection with history, religion, economics, politics, customs, legends and other factors that form the unique identity of a country or region (Mironova, 2016).

Culinary tourism focuses on food as an attraction for exploration and a destination for tourism. Although food has always been a part of hospitality services for tourists, it was not emphasized by the tourism industry until the late 1990s. It now includes a variety of formats and products – culinary trails, cooking classes, restaurants, farm weekends, cookbooks, food guides, and new or adapted recipes, dishes, and even ingredients. While most culinary tourism focuses on the experience of dining and tasting of new foods as a commercial enterprise, it is also an educational initiative channeling curiosity about food into learning through it about the culture of a particular cuisine, the people involved in producing and preparing it, the food system enabling access to those foods, and the potential contribution of tourists to sustainability (Tompson, 2014).

Culinary tourism is food-motivated travel that occurs in places not typically part of one's everyday encounters. It includes instances where consumption of particular food is the main motivation, such as culinary festivals, as well as travel where food is complementary to the main motivation for travel (OECD, 2012). Culinary tourism is also referred to as "food or gastronomy tourism" (Jafari, 2016).

Gastronomic tourism is an integral part of tourism. People have traveled for centuries not only to relax and see the culture of another country, but also to try the local cuisine. Nowadays it has become very popular to open restaurants and cafes in countries with the cuisine of another country and this not only saves time and money, but also gives an opportunity to try the cuisine of another country in their home country without going anywhere. It also makes it easier to enjoy person's favorite cuisine when a person wants it and opens up the opportunity to try something new even if there is no way to visit that country which cuisine a person

wants to try. Since this is the cuisine of another country, it can be considered gastronomic tourism even if a person does not leave his native country.

Riga is one of tourist destination places. Riga is the capital of Latvia and tourists go here to get acquainted with the culture of the country, as well as with local food. This is a new trend that in big cities one can try the cuisine of any country and in Riga also it can be done. As well as in other big cities, there are many restaurants and cafes with cuisine from different countries and local people can try the cuisine of the country they like or which they for some reason cannot visit.

In this article author is doing a research about an Italian cafe that is located in Riga. This is a small authentic shop-cafe which is located almost in the center of the city. The shop-cafe is called "Gusto Italiano" and it is possible to buy and taste Italian dishes that are made only from products that are ordered and brought from Italy. In this paper author is researching the case of how gastronomy of another country, particularly Italy, can be introduced in Riga.

The author has prepared two questionnaires, where in the first questionnaire he asks respondents what they think about this gastronomic trend in general and such institutions in particular, and in the second one what they like or not and how to fix it and make this place more popular. In order to do this, the author has conducted a survey and analyzed its results which will be indicated below.

Results

The first survey was generally about traveling habits, restaurant visiting habits and food preferences. The collected data has made it possible to do the following analysis. 70% of respondents answered that they traveled 2-3 times a year, 20% of respondents answered that they traveled 1-2 times a year, 10% answered that they traveled 3 times or more per year. 40% of respondents answered that they liked Asian cuisine (Chinese, Japanese), 60% of respondents answered that they liked European cuisine (Italian, French, etc.). 80% of respondents said they wanted to try the cuisine of another country, where they could not go to for different reasons, 15% answered that they did not care and most importantly was that the food would be delicious, 5% of respondents said that if they wanted to try the cuisine of another country, they would rather go there. Besides, 70% of respondents answered that they visited restaurants and cafes for food 2-3 times a week, 30% of respondents answered that they dined out 1-2 times a week, 95% of respondents answered that they liked those restaurants and cafes in Riga which offered cuisine of different countries, and many of them mentioned that this was the only opportunity to eat cuisine from different countries at any time when a person wanted it, 5% of respondents noted, though, that in the home country the cuisine would be better than if it was cooked in other countries because it had been cooked by local people for centuries, and in another country it was prepared by foreigners. 80% of respondents said that they would like to try Italian cuisine, 20% of respondents said that they did not like it. 90% of respondents said they would gladly visit an authentic cafe near the center of Riga that offered Italian cuisine, while 10% of respondents said that they would not visit that cafe.

After completing the second questionnaire, the author learned that 70% of respondents visited the cafe "Gusto Italiano" 1-2 times a week, and 30% of respondents answered that they visited 1-2 times a month. Also, 70% of respondents said they chose to visit the cafe "Gusto

Italiano" because there it was possible to combine eating and resting, and 30% of respondents answered that they were advised by friends. 90% of respondents said, that the quality of food in cafe was high, only 10% of respondents said, the quality was average. When asked if the customers were satisfied with the assortment of products, 90% of the respondents answered positively and expressed their desire to add some dishes to the menu, 10% of respondents answered that they did not like the current selection of dishes and advised what should be added to the assortment. Also, about 15% of respondents said that the cafe needed to increase the assortment of the offered wine. Also, 100% of respondents liked the fact that all products were imported from Italy. All respondents agreed that the proposed choice of dishes corresponded to modern gastronomy. All of the interviewed respondents said they would advise this place to their friends and acquaintances.

Conclusion

After processing the results and based on the analysis, the following conclusions can be drawn. This gastronomic trend is successful, and residents of Riga are pleased that there are restaurants and cafes offering cuisine in other countries because it makes it possible to enjoy their favorite cuisine or try the cuisine of different countries without leaving their own country. In Riga people quite often eat out in restaurants and cafes and it is common to eat in restaurants which offer different cuisines. This is a very good trend for people who for various reasons cannot get to the country they want and enjoy their cuisine there.

To make the cafe more popular and increase the number of customers, it is necessary to revise the menu and increase the range offered, for the customers to have more choice. It is also necessary to improve the methods of advertising, so that more people could learn about the place. It is necessary to conduct regular surveys regarding the menu and find out what customers like and what needs to be corrected in order to be in demand all the time in the market and so that people would prefer this particular cafe rather than cafes and restaurants of competitors.

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SALES AND MARTKETING STRATEGY AND HOSPITALITY INDUSTRY CHALLENGES: CASE STUDY OF PARK INN RIGA VALDEMARA HOTEL

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Abstract. Marketing communications forms are a key aspect of the delivery of tourism and hospitality services. This sector is heavily dependent on marketing because of the industries special characteristics such as services. Hospitality sector is an experimental services sector which relies so heavily on 'representations'. Representations can be described as impressions, images and depictions about experiences or about what might be expected from service providers (McCabe s., 2009). Business managers in the hospitality industry across the globe face the challenges such as: continuously satisfying guests, highlighting hotel attributes, ensuring that guests make a repeat visit lack of skilled workforce, seasonality and many others. Economic situation of a country affects buyers behavior and also influences sales and marketing staff decisions and opting for what is best for hotel revenue and guests. Even harder it is during first years after the hotel has been opened, when the sales and marketing team has to start from zero, adapt to location and situation and create new strategies.

Keywords: hospitality, sales, marketing.

Introduction

According to Cambridge Dictionary Sales is the department of a company that organizes and does the selling of the company's products or services. And marketing is a job that involves encouraging people to buy a product or service (Cambridge Dictionary). The sales and marketing department is responsible for generating new business for the hotel. This could be the sales of rooms for groups/tours, functions, conventions or even restaurants or bars. It also handles the advertising of the hotel as well as sales promotions and publicity and often takes on the role of public relations (Baker, S., Huyton, J. & Bradley, P., 2000).

In general, the challenge to hospitality marketers is that their products are immovable. A hotel or restaurant is a real estate asset that is fixed in location. It cannot be brought and owned by the customers. The customers in fact have to come to the product to avail of its products, sub-products, and services (Andrews, S., 2009).

The research aim is to explore the main sales and marketing challenges in hospitality industry and research the case of Park Inn by Radisson Riga Valdemara hotel at the first year of its opening.

In creation of this research report, theoretical materials have been studied and discussed as well as qualitative research method has been used for methodological part where author has interviewed employees of the hotel and analyzed their given opinion and information and guest reviews and feedbacks on online platforms.

Hypothesis of this research paper is: majority of sales and marketing challenges are connected with the country's economic situation.

The main result of this paper is analysis of the hotel case and overall findings about the hospitality industry.

Factors Influencing the Local Hotel Market

For the Sales department concerts, conferences or any other events happening in the country or city attracting visitors from other countries or cities are crucial. Event calendars are made and estimated revenue that could be generated from each event is calculated. The main influencing events for Park Inn Valdemara hotel are:

2017		Factor	Impact
	1	European Choir Games	total 27,000 participants, 23 countries, increased demand in city, higher group and individual prices
	2	5th CSIT Workers Sports games	total 5,000 participants, Finnish team staying in hotel, increased demand
	3	Neste World RX of Latvia	Increased city demand, prices and occupancy
	4	Lattelecom Riga Marathon	Increased demand in city, 3,000 international runners
	5	Red Hot Chili Peppers concert	High demand and prices in the city
	6	Gumball 3000	Increased demand in the city, destination awareness
	7	Football game Latvia vs Portugal	High occupancy in the city
	8	Foo Fighters concert	High demand in the city
	9	Football game Latvia vs Switzerland	High demand in the city
	10	Dalailama visit to Riga	High demand in city, reservations from pick-up block
2018		Item	Impact
	1	European Union Youth Chess Championships (19-30.08.18)	Increased demand and prices in the city
	2	Depeche Mode (20.02.2018)	Increased demand and prices in the city
	3	Song and Dance festival (30.06-08.07.18)	Increased demand and prices in the city
	4	World Orientieering Championships (04-11.08.18)	Increased demand and prices in the city
	5	World Rallycross stage (22-24.09.18)	Increased demand and prices in the city

Economic Environment certainly influences the success of business. The final objective of all commercial enterprises is to make profit in order to survive and grow. The economic conditions of a region influence purchasing power of the customers and the cost of running the operation (Andrews, S., 2009). Economic issues impacting the business in Latvia are:

		2015	2016	2017	2018	Data Source
National GDP Growth		2,7%	3,3%	3,0%	3,4%	Swedbank Report
Regional GDP Growth (if available)				0,2%	0,2%	Swedbank Report
Inflation		0,2%	0,2%	2,8%	2,4%	Swedbank Report
Unemployment		9,9%	9,2%	8,3%	7,9%	Swedbank Report
Consumer Price Index		0,2%	0,2%	1,3%	1,4%	Swedbank Report
Airport Arrivals	Riga International Airport	5.1 Mill	5.4 Mill	5.73 Mill	5.92 Mill	AirBaltic

Feedback Review

Most review sites offer hotels the possibility to comment on reviews directly, thereby enabling hoteliers to either thank for positive or reach to negative comments. In the real world, a satisfied guest shares his experiences with three, an unsatisfied guest with eleven people. Although hoteliers most certainly hope for good reviews, negative reviews are also useful as they create trust. Without any negative evaluation positive reviews see to be questionable (Chehimi, N., 2014).

The author analyzed two guest feedback platforms- Booking and Trip Advisor taking only the bad reviews.

Booking in their comments section allow guest to give a rating and write positive and negative aspects of their stay at the same time. That's why the author took in consideration only the minuses that they have given and the content.

Overall, Park Inn by Radisson Riga Valdemara has such ratings (Table 1):

Table 1. Raitings of Park Inn by Radisson Riga Valdemara

Rating	9+	7-9	5-7	3-5	1-3
Reviews	678	232	31	4	2

From all 126 English and Latvian reviews the author has taken only the negative ones, compared and got such results:

10 comments- far from centre, big walking distance, uninspiring neighborhood

7 comments- small parking space

6 comments- noise from the traffic outside

4 comments- hard to locate and approach the hotel and parking

4 comments- small rooms

4 comments- struggles with air conditioning

3 comments- dust in the room

3 comments- water spilling on bathroom floor

1 comment- high prices in the restaurant

(Booking)

Trip Advisor is less used by the visitors and at the moment has only 25 Latvian and English reviews about the hotel from which negative ones are only 5 comments:

2 - small gym

1 - lack of parking space

1 - hard to locate the parking

1 - noisy road

(Trip Advisor)

Hotel management reads and replies to the reviews and comments and tries to notice anything that they can change in order to prevent guest dissatisfaction. Centre location means higher prices of accommodation, on the other hand location further away allows to have less rent price and offer better prices for guests. Building a hotel near central road and bridge implies a lot of noise when the windows are opened, but people have different opinions and perceptions about what their perfect hotel location is.

Park Inn Valdemara is located near the biggest exhibition centre in Latvia, airport etc. The location of hotel cannot be changed, however the other nuances, such as building a bigger parking space, for marketing team to create and place location signs, fixing the air conditioners, having a stricter room service, expanding the gym area and others allow a newly opened hotel to see guest reactions and monitor their work and things that can be changed.

Methodology

The paper utilizes a multi-method approach for data collection. A thorough literature review and personal interviews have been conducted. Publicly accessible secondary data in the form of customer reviews have been drawn from world's leading web sites – Booking.com and Tripadvisor.com. Reviews of the customers have been analyzed, using thematic analysis.

To understand local, not global industry problems qualitative research method has been used and interview has been carried out with the following questions:

1. What are main issues for hotel industry in Latvia and what is their impact?
2. What are the main difficulties for a newly opened hotel?
3. What are threats for the hotels at this moment?

Solvita Ābola, the Park Inn by Radisson Riga Valdemara Sales Director, provided the following answers to these questions:

Issue	Impact	Revenue, Euros	RNs
Lack of hotels in Tallinn and Vilnius	Tighter budgets for TAs and not developing volume potential	(44000)	(800)
Political turbulance between Russia and Europe	Decreased number of Russian travelers	(130000)	(2000)
Decrease of Younger People / Foreign Work Experience	Less qualified staff		
Scale of Grey Economy	Unable to attract		

in Service Industry	qualified talent		
Shared Service Economy	Exponential growth in Room Stock and devaluation of accommodation	60000	1000

Threats

1. Large competition and price sensitive market (airbnb.com and private apartments)
2. Constant increase of hotel supply
3. Political and Economic uncertainty in EU
4. Limited possibilities for outsourced services
   Profitability due to increased costs, HLP, salaries, services, products + grey economy, staff attraction and
5. retention

When interviewing and asking Kārlis Plakans, the Park Inn Revenue and Reservations manager, the same questions, he claimed that one of the main challenges was definitely a lack of workforce for the hotel industry because during recent years many new hotels had been opened, however, the amount of skilled, talented and trained employees hadn't increased that fast. Plus, the fact that many young people choose to go to work outside Latvia and many professions that normally would require experience, skill and talent are being done as a side job or summer job (waitress, front office receptionists, cook, etc.).

Another issue he could mention was a very strong seasonality with a very low demand during winter season – pushing hoteliers to be very flexible with pricing, decreasing prices dramatically for many high-quality hotels.

Kārlis has been working in Rezidor hotel group for 5 years and in the Park Inn has been since the first day of its opening. He knows the challenges of a newly opened hotel best of all and tells that first hard thing would be implementing all the correct standards, procedures and quality for employee training, feedback getting and adjusting, if necessary. That is, of course, if all the pre-opening activities have been in place and done right – attracting and hiring the correct employees, creating structure and deciding on some key operational activities.

Of course, crucial for a newly opened hotel is a strong marketing plan and activities that go together with sales team – introducing the hotel in the market, building brand image, awareness, creating close relationships with all partners – agencies, companies, suppliers, etc. Another vital thing to do is increasing hotel awareness and customer reviews – online OTAs ranking, guest reviews (amount and quality), because this stimulates other guests/groups to choose the hotel.

He claims that online hotel's guest reviews impact hotel management very directly and strongly – every day they together review the important points mentioned by guests so that the management team is aware of the strengths and weaknesses of the hotel, as well as best

performances from employees and mishaps that should be fixed and not repeated. This gives them direct feedbac
k from the customer so it's very important that they use it widely. Moreover, good reviews generate more bookings and help them to hold a strong position in the market.

Results

Answers of the hotel office employees show the challenges and threats for the hotel and reflect the situation with the hospitality industry in the country too.

Conclusion

The author should provide conclusions based on the obtained results. The following information may be included: the results of the hypothesis testing, the applicability of the research results, and the theoretical and/or practical value of the study, the opportunities to expand the research area or continue the study.

The hypothesis of the author is true, which is proved by the interview results and theoretical findings.

Research results signify that it is important for a hotel chain prior opening in different countries to analyze and research the industry and challenges to know what problems they will be facing. In this case, of course, the economic situation cannot be influenced as well as location changed, but the sales and marketing strategy can be built to strengthen the other opportunities. For example, it is necessary to react on online guest reviews or any other form of feedback, show clients that their opinion matters, help clients to find the hotel, place signs and advertisements, analyze the reasons and make changes in order to achieve high guest satisfaction.

To expand the study and get more accurate and valuable data, author would have to invest more time in theoretical studies, expanding research and using greater amount of questions, as well as number of people interviewed.

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