



International
Organization for
Standardization

ISO/TC 228 -
Tourism Services

Market relevance of global
standardization projects



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Christian Vanik



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Christian Vanik

studied law in Vienna

working with the representation of tourism business since 2005

within the Austrian Federal Economic Chamber - tourism- & leisure division
comprising among others:

- restaurants
- hotels
- travel agents and tour operators
- private healthcare facilities
- swimming-baths
- leisure- and sports establishments
- cinemas

Expert for NORMAPME since 2008



Size of enterprises in Austrian tourism (comparable with other European countries):

Restaurant Business	1-9 employees	90,2%
	10-49 employees	9,0%
	50-249 employees	0,8%
	250 and more employees	0,0%

Private Healthcare Facilities	1-9 employees	41,9%
	10-49 employees	40,1%
	50-249 employees	14,3%
	250 and more employees	3,7%



Swimming Baths	1-9 employees	83,1%
	10-49 employees	14,7%
	50-249 employees	2,2%
	250 and more employees	0,0%

Travel Agents & Tour Operators	1-9 employees	78,7%
	10-49 employees	17,2%
	50-249 employees	3,9%
	250 and more employees	0,2%



Cinemas	1-9 employees	69,9%
	10-49 employees	25,3%
	50-249 employees	3,6%
	250 and more employees	1,2%

Leisure- & Sports Establishm.	1-9 employees	80,8%
	10-49 employees	15,1%
	50-249 employees	3,8%
	250 and more employees	0,3%



Hotel Business	1-9 employees	72,4%
	10-49 employees	24,3%
	50-249 employees	3,2%
	250 and more empl.	0,1%

Tourism and leisure industry is a showcase of SME's
9.286 Hotels rely on 99.913 employees
(on the average: 11 employees)
and are dealing with 80,071.282 overnight stays a year in Austria



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Why are SMEs that successful in tourism?

It is the personal aspect! In a family run hotel you really feel like a guest, you are a VIP - a very individual person - not just one figure in the daily output of a service plant. There is no substitution to the human aspect in tourism!

What works in the producing sector - substitution of man power by machinery or shifting production to a low cost country - doesn't work with tourism, with service locally based and enducing lots of jobs in the region.



If the SMEs would be lost without help by standards, certifications and consultants - they would not have such a strong position on the market.

There is a group of customers, which enjoys the same food in the same preparation with no seasonal or regional variation in the same surroundings. This share of the market is served by international fast food chains.

But the dominant group of customers is fond of different food at different regions and seasons and relies on recommendations. SME's quality criteria are the regular guest and the guest who drops in because the place was recommended to him.



The more standards you apply - the more uniform the product will get. It will lose both uniqueness and flavour. If you define the diameter of a Pizza and how thin its dough has to be - same in the middle as on the edge - you will need a machine to bring it into the shape required. If you define the percentage of cheese or tomato used you will need a machine to select as a handmade dish will bring variation.

Finally you will end up with a product of the refrigerator-microwave sort. So the need of standards for the tourism industry - both for the benefit of SME enterprise and the customer has to be generally doubted.

So my role is less working on the creation of standards but to prevent standards which would be of disadvantage for SMEs in special and do not bring any benefit for the service quality in the relation enterprise-guest in general.



Allow me an example by showing you a proposal which was presented by an ISO-member organisation mid of January and is for vote until the end of this month to decide if a working group should make the following draft a standard.

“Environmentally friendly accomodation” sounds good and at first sight appears to be devoted to nature. But if you have a closer look you find the following requirements:

- | | |
|---|--|
| 1 | The management shall have an environmental policy and an action program. |
|---|--|



2 Implementation of the action program;

Employing an authorized person for implementation (who is trained in this field, environmental engineer, energy efficiency expert, biologist, agricultural engineer etc)

This is beyond the means of an SME. Hotels are often run by the family and the staff often has to be talented in more than one field of the core business for instance working both in cooking area as in reception. An environmental engineer/energy efficiency expert/biologist/agricultural engineer is out of discussion both regarding costs or at least partial use for the core business.

Providing this service from a professional or a firm (together with an authorized employee responsible for the implementation).

see 6



- 3 The establishment shall collect and monitor data on water consumption, energy consumption for heating and cooling, electricity consumption and general energy consumption (data on energy consumption per m² of indoor area or per overnight stay shall be prepared as monthly, quarterly and yearly reports and kept as a file).

There is no benefit for the enterprise, the guest or the environment from building up statistics like that. A lot of costly time and manpower wasted just to learn that figures for heating will be higher in December than in July and the water required will be a greater amount in August than in February. The documentation will be augmented by the collection of data intended at 8 (see below)



4 The dangerous chemicals (in terms of volume and/or weight) used in establishment shall be monitored and the data shall be collected (data on consumption per m² of indoor area or per overnight stay shall be prepared as monthly, quarterly and annual reports and kept as a file).

There is no benefit for the enterprise, the guest or the environment from building up statistics like that. A lot of costly time and manpower wasted just to learn that figures for cleaning are lower off season than at peak season.



5 The waste produced in establishment (in terms of volume and/or weight) shall be monitored and the data shall be collected (data on consumption per m² of indoor area or per overnight stay shall be prepared as monthly, quarterly and annual reports and kept as a file).

There is no benefit for the enterprise, the guest or the environment from building up statistics like that. A lot of costly time and manpower wasted just to learn that figures for waste are lower off season than at peak season.



6 The management shall have internationally recognized environmental management certificates (EMAS, ISO 14000, and ISO 14001, Blue Flag etc).

If such a certificate is already given at management level it is to question, if the application of this proposed draft is of any further use or just building up duplicities both on experts (see 2) as on duties and documentation



7 At least one of the service providers or main suppliers of the establishment shall have environmental management certificate (EMAS)

There is no argument for a special number of providers or suppliers to have this certificate. The more this tends to exclude SMEs as supplier or service providers, as due to costs these schemes are rather restricted to large companies. From the ecological aspect this would be of disadvantage for local SME suppliers and of benefit for large companies with long ways of transport.



8 The establishment shall have installed additional energy and water meters so as to allow data collection on consumption (of kitchen, laundry, accommodation units, garden, technical units etc.)

Again the documentation is of no benefit for the enterprise, the guest or the environment. We do not assume that it is intended to charge the guest for the energy or water used during his stay in the accommodation unit.



9 The establishment shall be awarded for its environmentally friendly studies.

The standards within the scope of TC-228 are addressed to enterprises not to governments or environment organizations, which could offer the award mentioned. It appears that at least parts of the draft are taken from other standards or internal rules or soft law without questioning their meaning.



10 Collective work and activities arranged with local government or authority or other establishments in the vicinity.

There is nothing in this requirement with connection to the tourism sector in general or the services provided for guests in special. It further has no impact on ecology what so ever if for instance two enterprises are sharing the services of the same tax consultant or marketing office. Again this passage seems to be copied from other documents without consideration.



11 Contribution to environmental protection organizations or participation in these organizations (association, charitable foundation etc).

There is nothing in this requirement with connection to the tourism sector in general or the services provided for guests in special.



Think back to the average enterprise of the sector. Can you imagine one of the 5 or 6 people running the hotel doing this statistical documentation instead of serving guests?

And what for?

For the benefit of
the guest,
the environment,
the hotel?

Or for the benefit of
the agricultural engineer/biologist/energy efficiency expert/...
the IMAS/ISO 14000/ISO 14001/Blue Flag-certifying institute
the IMAS/ISO 14000/ISO 14001 certified supplier
the local government
the environment protection organisation ?



12	All installation and equipment used in the tourist accommodation (energy, heating, ventilation, air conditioning equipments, dishwashers, washing machines, refrigerators, elevators etc) shall be serviced and maintained periodically by authorized service or trained professionals.
13	Maintenance and servicing of boiler and burner shall be carried out periodically, at least yearly by authorized persons and the emission released from vent of boiler shall be measured and reported by authorized institutions.

These are the first requirements which follow common sense and which are in the interest both of nature and the enterprise.

With less than 10% of the General Management Chapter of the draft being acceptable for a SME I simply have to reject the whole draft!



The other chapters are not much better - if just picking out one requirement from the next chapter titled training (requirements 14-19)

19 Training programs and activities concerning environmentally friendly issues for the children of the guests shall be organized.

Standards with regard to TC-228 do not address to education or general societal issues. This requirement is further to be doubted in terms of practicability regarding different ages and languages of the children as well as different durations of stay. Therefore training programs for children shall remain best placed in school curricula.



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I will not bother you with further details of the draft just be aware that the whole chapter E has architectural requirements which can only be fulfilled when planning or constructing a hotel. Hence it is completely out of the scope of TC-228.

Please don't trust the title of a proposal - but judge it by its contents!



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But there are other approaches as well to define service quality - which don't come from standardization institutes, consultants, architects or governments but from associations of the hotel sector.

Within a short period agreement was found to apply a common scheme of ranking within 7 European countries by the end of 2009.



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Founding members of “Hotelstars Union” in December 2009 were the
Representations/Associations of the Hotel Business in the following countries

Austria



Germany



Switzerland



Hungaria



Czech Republic



Netherlands



Sweden

in January 2011 joined by Estonia, Latvia and Lithuania



Sveriges
Hotell & Restaurang
företagare



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The principles of the “Hotelstars Union” comprise:

- Avoiding mandatory architecture criteria
- A system of minimum and optional criteria
- No other certificates to be required
- No personnel with special degrees or trainings to be required
- No documentation obligation for the enterprise what so ever



Analysis:

- Standards developed by architects are designed for the needs of the planning and construction business
- Standards developed by governmental organisations are designed for societal policy
- Standards developed by consultants are designed to require a consultant
- Standards developed by producers are designed for the requirement of their products
- Standards developed by representatives of large companies are designed to be fulfilled by no smaller enterprise



- Standards developed by organisations representing hotels are designed for the needs of the hotel business and their guests
- Standards which are developed under cooperation with SME representatives allow application for 100% and not just 5% of the enterprises

Consequence:

- The relevant market is best served by the input that comes from the business concerned
- Hence standards in the field of tourism shall only be drafted on the initiative or with massive support from the sector
- And no standards shall be developed that neglect the practical use for SME's which are the backbone of tourism business



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Thank you for your attention and support!