

PESTEL ANALYSIS OF TOURISM DESTINATIONS IN THE PERSPECTIVE OF BUSINESS TOURISM (MICE)

Conference paper

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Abstract

Purpose of this research is to apply PESTEL analysis on two different destinations (Croatia and Qatar) in order to find out their specific attributes as well as to analyse whether we can learn from their advantages and disadvantages due to the fact that one is rich on natural attractions while the other one is mostly characterised by human-made attractions.

Design is done by using the core of PESTEL analysis where each destination is analysed according to political, economical, socio-cultural, technological, ecological and legal factors influencing their current situation, growth and potential development.

Methodology used in this paper is application of PESTEL analysis in order to compare and analyze two international destinations from the perspective of business forms of tourism (commonly called MICE industry). The study was done in order to apply PESTEL analysis on two countries; Croatia and Qatar. Applying PESTEL analysis in tourism we can benefit by assessment and understanding of global behaviour of tourism demand.

Approach of this paper shows that researcher has applied each factor of PESTEL analysis on both countries; Croatia and Qatar from the perspective of MICE tourism. The basis for analysis is taken from the broader research done by author and includes the following: quantitative and qualitative research of key elements in business tourism of each country, as well as the secondary research through statistical data, related literature and related statistical documents taken from current situation in business tourism sector of Croatia and Qatar.

Findings of the research and PESTEL analysis are also result of researcher's observation from real life since the author has lived and worked in Hospitality sector in Qatar for more than seven years and by being involved in national workshops organized by Qatar Tourism Authority, has gained lots of quality knowledge and experience to prepare this analysis for readers who are interested in this topic. MICE tourism is one of the vital elements in Croatian tourism development plan and Croatia is aiming to become known MICE destination while it is the major type of tourism in Qatar (95% of Qatari tourism is MICE tourism). The findings of PESTEL analysis could be of interest for all individuals and institutions interested in current trends and practices of MICE industry in Croatia and Qatar.

Originality of this research comprises in the fact that no other study is done in Croatia or Qatar using such a deep and systematic approach, using authors' previous and current knowledge, applying qualitative and quantitative research methods and by living in both destinations and participating in the development of MICE in both countries, Croatia and Qatar.

Keywords MICE, Business tourism, PESTEL, Analysis, Destination

1. INTRODUCTION

PESTEL analysis is used to analyze international companies as well as industries that are engaged in exporting and depend on international markets. In tourism, one might use PESTEL analysis that helps assessing the global behavior of tourism demand. The analysis includes the following factors: socio-cultural, technological, economic, political, environmental and legal in terms of business tourism known as MICE;

meetings, incentive trips, conferences and exhibitions. According to the author M. Buble¹, key segments of the environment in which the international company operates, are precisely the elements of PESTEL analysis; natural environment, technological environment, economic environment, political environment, legal environment, demographic environment and cultural environment. As the tourism industry deals with invisible exports and operates in the international market, this type of analysis can be applied to the analysis of individual companies in the tourism industry but also to the destination as a collection of tourism supply of an area, region or country offered to tourists on the international markets.

Johnson and Scholes² define PESTEL analysis as a model to analyze the factors affecting international companies and we can apply it to a tourist destination because it operates in an international environment, in terms of macro indicators. Political factors include the stability of the state, tax policy, foreign trade regulations, and policy development and welfare of the community. Economic factors according to Johnson and Scholes include business cycle, GDP trends, interest rates, currency in circulation, inflation and unemployment. Socio-cultural factors are demographic indicator, income distribution, social mobility, changes in lifestyle, behavior and attitudes toward work and leisure, consumerism, education level. Technological factors include government spending on research, government efforts toward technological achievements, new discoveries and development, the rate of technology transfer. Ecological factors include legislation on environmental protection, waste removal and energy consumption. Legal factors include legal regulations state monopoly regulations, employment law, health and safety, product safety .

In this paper, the researcher has applied PESTEL analysis to destinations Croatia and Qatar with the research aim of focusing on the essential elements of the environment in which destinations are located, and which affect the development of business tourism. Applying this analysis, the author synthesizes the most important indicators and research results in a way that distributes them according to factors of PESTEL analysis. The researcher applied the analysis of each factor on the destination of Croatia and Qatar, where as the basis and foundation for the analysis takes the following areas and research results:

- From quantitative research (3 types of questionnaires; to congress and incentive centres in Croatia, to hotels and congress capacities' managers, to PCO and DMO managers in Croatia and to congress centres in Qatar)
- from qualitative research (4 types of in-depth interviews; with managers of congress and incentive centres in Croatia, with representative of institute of tourism in Croatia, with owners and managers of hotels and other congress centres in Croatia as well as with representative of Qatar Tourism Authority and QMDI³)
- from secondary research of the literature in this area as a result of the contributions of other authors

¹ Source: Buble, M., *Međunarodni menadžment*, Lares plus d.o.o., Zagreb, 2009. pg. 28-60.

² Source: Johnson, G. and Scholes, K., *Exploring Corporate Strategy, text and cases*, Prentice Hall, Hemel Hempstead, 2002., pg. 99.

³ QMDI – Qatar MICE Development Institute.

- from real-life observations based on acquired knowledge and practical experience in this area, both in Croatia and in Qatar, where the researcher spent seven years in the business sector and as a lecturer at the Faculty of Tourism and Hospitality Management (Stenden University, Qatar) as well as active participants in workshops organized by QTA⁴.

2. RESEARCH RESULTS IN FORM OF PESTEL ANALYSIS

2.1. Political factors of destination Croatia

According to marketing plans and development strategy, Croatian tourism destination aims to develop business tourism⁵. In order to improve and strengthen the development of business tourism in Croatia, the Croatian Convention and Incentive Bureau⁶ was established, whose main task is the promotion of Croatian congress and incentive at the international congress and incentive market and actively participate in the further development of Croatian congress and incentive offer. Within the Croatian Convention and Incentive Bureau operates 10 congress tourism offices which are most active Convention and Incentive Bureau of Zagreb , Convention and Incentive Bureau of Opatija Convention & Incentive Bureau of Dubrovnik and the Convention and Incentive Bureau of Split. In terms of the support that the state provides to development of business tourism in Croatia there is activity and support but there is no strategy to the development plan and a clear goal for Croatia to become a business destination.

Croatia can not be considered a destination that has advantages for the development of business tourism, despite the fact that the government strategy aimed in that direction. The reasons why Croatia as a destination has difficulty in developing business tourism destination and weaknesses in terms of political factors are the following :

- Political instability destinations
- Continuous power struggle between the ruling party and the opposition
- Corruption and disorganized state legal regulations
- Political problems as a legacy of the Patriotic War (trials, persecutions, etc.)
- The recession in Croatia, the consequences of war and changes of government, slowed development and has contributed to political crisis
- Investment in tourism is not conducive to the development of the infrastructure needed for business tourism (congress halls, fair capacity, high class hotels)
- Lack of links between the private and public sector and lack of cooperation on the marketing of services, marketing and business development of tourism infrastructure
- Visa system is often complicated and difficult for visitors from Far and Middle East countries.

⁴ QTA – Qatar Tourism Authority

⁵ Hrvatska turistička zajednica, Strateški Marketing Plan za Hrvatsku 2010-2014.

⁶ <http://business.croatia.hr/hr-HR/Hrvatska-turisticka-zajednica>

2.2. Political factors of destination Qatar

The development of business tourism in Qatar is supported by state bodies and governments and is one of the core elements of the development of tourism in the destination. From the very beginning and with the establishment of QTA, QMDI and other institutions engaged in tourism (Stenden University, Qatar National Hotel Company and Qatar Airways) the development of business tourism in Qatar is one of the strategic policy guidelines for tourism development in general. Qatar is one of the political most stable countries in the world even though it has a partially negative image in terms of terrorism, because it is a Muslim country and part of the Middle East. It is one of the safest countries in which the crime rate is extremely low, and it's one of the benefits of tourism development. War in the Gulf and the war in Iraq as well as the positioning of U.S. military bases in Qatar also create a negative political image of Qatar while on the other hand this is the reason why we can conclude that it is considered a safe destination. Given the developments in the region and in the Middle East, Qatar is influenced by the stability of the whole region, because negative events in other Middle East countries may affect the image of Qatar, and the reduction and increase interest in the arrivals of visitors and tourists from around the world, including the continuation of the business tourism. Security in the Middle East affects the perception of business tourists visiting Qatar for trade shows, conferences, individual business meetings or incentives.

The government of Qatar supports various international sporting events and political conferences and meetings, and thus also affects the creation of a positive image of the destination of business development. Qatar has recently won the tender for the organizers and hosts the World Cup to be held in Qatar 2022nd⁷. In order to develop the infrastructure and investments the government supports all for the purpose of capacity building that will accept the number of visitors expected, business tourism is also developed in accordance with the needs of business meetings, conferences, events and incentives that will grow due to such events. Qatar has also won the tender for the maintenance of the 24th World Championship Handball Championship, which will be held 2015th and it also affects the development of business tourism destination, because without the support of political circles, clear development strategy destinations in the state and government, success in this segment would not be present. Political factors affecting the development of destination and tourism development are in favor of destination development in the field of business tourism. World Congress held in Qatar are also an aspect of political activities and strategic commitment to establish it as a business destination of choice, as evidenced by various international symposia held in Qatar (World Economic Forum 2010th, 20th World Petroleum Forum held in December 2011th , etc.).

Al Jazeera, the Qatar TV also has its influence on the formation of free reporting and freedom of the press, and is still one of the political elements that Qatar differentiates from other countries, as it seeks to be present throughout the world, seeks to create image of safe destination where business visitors offer different types of services and opportunities as well as partnerships either through individual business meetings, or

⁷ <http://www.fifa.com/worldcup/qatar2022/>

through participation in congresses, incentive trips until the investment in the development of the industrial sectors.

Qatari government promotes and encourages the development of business tourism and this strategy recognizes the market of business travelers, which can be seen in the statistics (95% of Qatar tourism is business tourism).

2.3. Economic factors of destination Croatia

Economic development level of the state (society) which is reflected in the GDP is the main indicator of economic development destination, then employment, investment climate, encourage foreign investment, incentives for tourism development, inflation, etc. Croatian GDP for 2013 is amounted to 13.312 U.S. dollars⁸. Croatia is in a situation of economic crisis, high unemployment, lack of investment activity in the tourism industry as well as low-income in tourism compared to other sectors (particularly trade and finance), and is characterized by seasonal activity and short duration of the tourist season .

Business tourism is expected to extend the duration of the season and help the number of days to extend the visitors except for business visits destination visited by tourists and natural attractiveness and cultural and historical destination attractiveness. One of the preconditions for developed MICE destination is the existence of a convention center that can accommodate a larger number of participants and visitors (3000 - 5000) which Croatia is missing. The absence of such convention centers, and other infrastructure for conferences and business meetings and defect investment in the construction of such infrastructure for business tourism are major problems and shortcomings of Croatian destination.

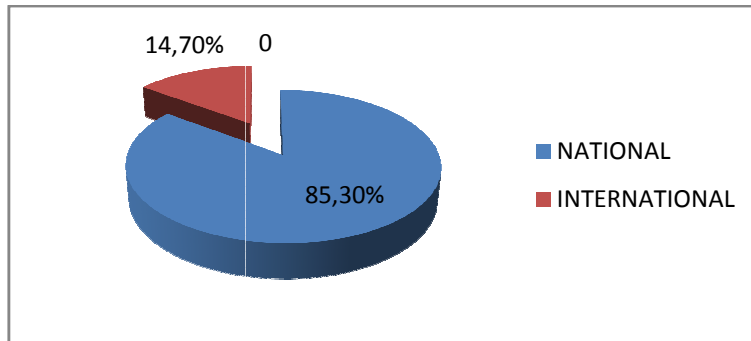
Croatia has also weak transport links with global destinations and inadequate transport links within the Croatian destinations (airports and rail⁹). The need for the construction of airports and expanding the scope of air transport, the number of flights and increase the number of destinations is one of the important prerequisites for the development of business tourism. Business tourism in Croatia dealing mainly with hotels 3 and 4 stars, which mostly offer rooms with a smaller number of seats (10-100), which is not sufficient for conferences and business meetings worldwide. The largest number of business meetings in Croatia refers to the conventions, then individual travel and visitor arrivals for business meetings, seminars and symposia, while other types of business tourism in the minority, almost negligible. From the overall tourism activity, business tourism in Croatia entails from 10-15%.

⁸ Source: <http://countryeconomy.com/gdp/croatia>

⁹ Source: <http://www.mint.hr/default.aspx?id=9504>, *Strategija razvoja turizma Republike Hrvatske do 2020.*

According to the statistics and research results, over 85,3% of visitors are national business meetings and 14,7%¹⁰ are foreign visitors, it also points to the fact that the business meetings as a type of tourism are negligible compared to the total tourist traffic of Croatian destination.

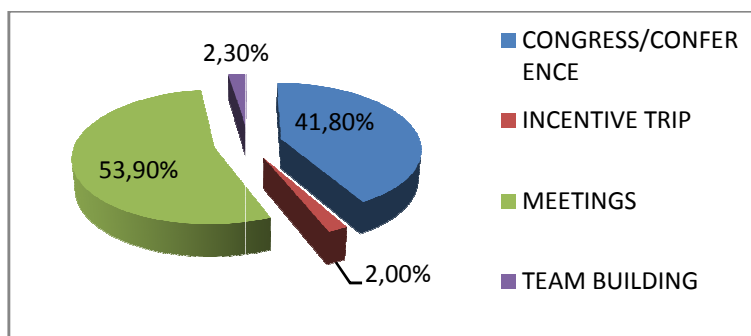
Graph 1: Structure of MICE in Croatia, 2013 according to participants



Source: Department for statistics, Republic of Croatia, 26.02.2014.

Croatia has not yet been able to position itself as a destination for business tourism on a global scale, although it is one of the strategic goals of tourism development. Fair tourism activity are not sufficiently represented, as a result of poor economic activity, as well as a lack of capacity for fun and entertainment that would motivate tourists to stay in Croatia. Croatia does not have a sufficient number and variety of clubs, bars, amusement parks and facilities for quality and complete tourism offer. In order to be positioned primarily Croatia should devise ways of encouraging investment in tourism, the construction of business convention center, category hotels and higher-level services, to strengthen economic activity to business visitors had increased need for arrivals in Croatia and design stimulus programs to attract foreign capital into Croatia.

Graph 1: Structure of MICE in Croatia, 2013 according to MICE elements



Source: Department for statistics, Republic of Croatia, 26.02.2014.

¹⁰ Source: <http://www.zagreb.hr/default.aspx?id=1031>, Tromjesečno priopćenje, poslovni skupovi, IV. Tromjesečje 2013.

2.4. Economic factors of destination Qatar

Economic indicators show that Qatar is one of the richest countries in the world (according to the analysis of various economic indicators, especially GDP, in some publications, number one in the world, and according to some second). The 2013th GDP per capita amounted to \$ 102.211¹¹. The economic environment in which to develop Qatar as a destination is an environment that supports the development of business tourism and the various aspects of the development of the tourism business products such as¹²:

Investments in the tourism value of 17 billion dollars over a five-year development plan for the destination of which is expected to increase by 400 % in the domain of hotel capacity and building the infrastructure for business tourism

- Construction of over 29,000 hotel rooms and suites
- Construction of congress and fair center with over 95,000 m² total area (one of 45,000 m², and the other of 40,000 m²) with a capacity of receiving over 10,000 visitors.
- Positioning in the market as modern destination for high quality business tourism in the world.

Qatar is economically stable country with low inflation rates, the negative trend in the past years. Environment favorable for the development of business tourism and economic development focuses on public private partnerships and stimulate the arrival of foreign companies in partnership with local companies or state institutions jointly invest in a variety of industries, primarily oil and gas, construction and trade, education, tourism, etc.

There is a tendency of positioning Qatar as a world business destination although according to the study it can be concluded that the majority of business visitors are from Europe, the Middle East, U.S. and the Far East. A large number of 5 star hotels, the presence of world-renowned hotel chains and resorts, rich offer of restaurants, clubs and entertainment, and a total of a large number of business meetings held for the destination size of Qatar point to the fact that Qatar is already developed business destination, with the ambition of a faster and more stronger development as a destination for business tourism. Using natural attractiveness for promotional purposes is very low, because the destination is not rich with natural but artificial attractions, and it is recognizable as such.

Due to insufficient production of food and consumer goods in Qatar, most merchandise is imported, it can be concluded that there is a lack of choice of certain goods and services, which is one of the weaknesses of the destination. Qatar Airways¹³ as the national airline carrier which flies to more than 130 destinations, indicating excellent transport links with the market and allows business travelers coming to the destination from around the world. Employment in the Tourist Sector in Qatar are mostly

¹¹ <http://countryeconomy.com/countries/qatar>

¹² <http://www.qmdi.com.qa/QMDI/home>

¹³ <http://www.qatarairways.com/global/en/homepage.page>

foreigners except in high managerial positions, the quality and helpfulness evaluated as very good. Considering that local residents do not work in places that are in direct contact with visitors, lacks atmosphere typical of the local population, but all the services offered and entertainment and cultural amenities visitors creates the impression of living with the local customs and traditions. One of the most important channels of promotion is internet, on-line sales and advertising which is particularly important when it comes to the world's hotel chains, which are present in Qatar, and the sale and promotion carried out through its own web sites. Economically Qatar is a business tourism destination, which is positioned and laid the groundwork for long-term development of the destination in the MICE segment.

2.5. Socio-cultural factors of destination Croatia

Croatia is a destination of educated population, mediocre hospitality and very good proficiency provided that the emphasis should be placed on further education in the tourism employees, motivation of employees in the tourism industry, the ability to work throughout the year and specialization of the services that refers to animation and special programs for the provision of additional facilities and enrichment services to business tourists.

Croatia is a destination rich in natural attractions and cultural heritage. Using these advantages should be more meaningful and adapted to the needs of business travelers and incorporated into the concept and offer when visiting business travelers. Emphasis should be put on a demonstration, presentation and offer traditional meals, drinks, traditional events, festivals, and sports and include business visitors that they participate in them, to experience the destination and tainted unforgettable memories that will bring them back again to the destination if not for business then for fun and relaxation. Knowledge of marketing management working in tourism is rated as inadequate so in this segment Croatia should work on improving and perfecting. Raising the general level of service and kindness both by employees and by the local population is also essential, and what is the result of a lack of general knowledge and awareness of the need that visitors should feel welcomed and satisfied.

Considering the seasonal nature of tourism in Croatia, and the short duration of the season it is necessary to design activities and a bid to extend the season and the additional facilities offered to business tourists value for money. In Croatia, seasonal employment, often because of a lack of short-term employment in the tourist industry and often unskilled in the tourism industry in the seasonal business employees are not motivated and do not have enough knowledge about the tourist culture that you would with courtesy and professionalism to show visitors. Croatia has the potential of human resources, a rich social life and lifestyle that is considered to be open to social events, which can be applied in the tourism industry in a way that specifically educates and motivates employees modeled on developed tourism country to tourists feel welcome the entire stay in and at all levels (hotels, restaurants, bars, airports, dock, shops, public transport, etc.). Croatia also has requirements for quality presentation of natural, cultural and historical attraction for tourists and business needs to build on them and offer a complementary services that will keep the business tourists one or more days longer in destination after the completion of a business event.

2.6. Socio-cultural factors of destination Qatar

The social aspect and its impact on the development of business tourism destinations Qatar is specific since Qatar aims to develop the tourism product that is authentic and in keeping with the tradition of the local population and the local way of life, but on the other hand the local population is not employed in the tourism sector in direct contact with visitors, which is why the destination is artificial and based on superficial attractiveness and the culture and customs of the local people; visitors are trying to impress foreigners employed in the service sector.

This state of affairs in the social aspect can be seen as artificial, because the attractiveness of destinations served motifs of history and traditional way of life of the Arab world, specific to the Middle East, while at the same time the local population behaves very modernistic and much more like the western way of life. The consequence of this social aspect is the loss of identity and authenticity of destination. Given the religious customs and local culture, there are restrictions on certain activities which result in limited tourist offer. Lack of natural and cultural values and natural attractiveness of the destination, are one of the most important characteristics that Qatar is trying to compensate with artificial attractiveness. In the education segment Qatar is a destination that has a lack of educational institutions in the tourism industry because it has only one faculty of Tourism and Hospitality. Disadvantage in terms of social factors reflected in the fact that the labor force in Qatar employed in tourism are quite low paid, temporary staff (working legislation and strategies of the state). Due to that, the quality of service can not be always offered because it is often a high rotation of employees. The lack of general knowledge and insufficient professional development are among the most important in assessing the quality of the local population and employment in the tourism industry. In this section, there is a need for improvement and advancement in both segments.

Services in 5-star hotels are not the same in Qatar and other destinations (especially the Western world) when it comes to world-renowned hotel chains, because the criteria, climate, culture and educational systems from which comes cheap labor is in disproportion to the expectations of visitors and knowledge on services in the same hotel in the western world. Viewed from the social culture, Qatar has more disadvantages than advantages for the development of business tourism, but given that the business tourism-oriented events, infrastructure and conferences, economic advantages far outweigh the disadvantages though destinations on them to work for the sake of their long-term image.

2.7. Technological factors of destination Croatia

Croatia as a developing tourism business destination should learn from developed destinations and primarily invest in so-called "Smart" conference halls and centers that can accommodate a larger number of visitors and host world - scale conferences and provide multifunctional services (conferences, banquets, gala dinners, etc.). In addition to organizing conferences and business events, Croatia should work on adoption of advanced technologies for organization of congresses, festivals, events, sports business

events, trade shows and incentives in a way that uses advanced technologies to maintain them as well as animation during and after the event .

Croatia needs to develop the technology of transportation and transportation infrastructure to enable visitors to reach any place in the destination by either air, road, rail or sea transport, which means to improve the infrastructure and quality of airports, increase the number of direct flights with worldwide destinations and improve transport in and within it. Croatia should modernize increasingly important institution for providing services to tourists, to introduce a variety of smart service providers, such as online check-in, high-quality and modern air and bus transportation, free or paid web sites where visitors can connect with the world, as well as improve infrastructure, marina berths, public and private baths, toilets and all the other services that are required by business tourists.

Opening hours should also be tailored to tourists needs so that business tourists need to adjust the use of additional services out of hours, to allow time after the congress, business meeting or other business together spend shopping, sightseeing of historical monuments, theaters, galleries and other attractiveness or in nightclubs in accordance to needs of business people in Croatia, which is not sufficient. Croatia has the potential for business development in terms of socio-cultural factors, but they are not designed, coordinated or carried out at levels that could be compared with the global business tourism destinations.

2.8. Tehnological factors of destination Qatar

The technological aspect of the development of business tourism in Qatar is supporting the development of business tourism because most tourist attractions and especially those that serve the purpose of providing services of business tourism have artificial character with the use of top technological advances in construction. Investments in tourism, such as those in the new airport with a special terminal for first class and business class passengers, then a limousine service that transports passengers to and from first class plane and receiving building, then special cars for business class passengers, destination and number of aircraft are an integral part of Qatar Airways' fleet (95 modern new aircrafts). Direct lines from other continents (United States, the Far East and Australia, all major cities in Europe), and investments in hotels and conference facilities, as well as football fields and other attractions, are an example of advanced technology that supports the development of business tourism. The public transport infrastructure is not developed in these except taxi service which is not always easy to get on time to visitor responds. It is not one of the advantages of a destination for tourism in general and especially for business tourism destination.

Qatar requires such infrastructure, and also need to work on the infrastructure of other providers who are not necessarily the hotel and convention facilities, which are often not in line with the needs of business travelers. Building the infrastructure of hotels and transportation in and out of the required capital Doha, it is now the same unsatisfactory. The highest concentration of tourist attractions is located in the capital city.

2.9. Ecological factors of destination Croatia

Ecological environment of Croatia is positioned is considerend as one of the advantages Croatia has amongst other destinations since the nature of Croatia is still unpolluted on a global scale and the Adriatic Sea is considered one of the cleanest seas in the world. Program of protection of marine and coastal environments carried out for 15 years in Europe called the Blue Flag for beaches and marinas. The holder of an international program manager is the Foundation for Environmental Education (Foundation for Environmental Education in Europe - FEEE¹⁴), established in 1981 by the Council of Europe. The program now includes over twenty countries where tourism is one of the strategic objective. A Blue Flag beach and marina means top tourist promotion, which is based on a high quality service, clean sea and shore and beach equipment and facilities. Croatia has 116 beaches and 20 marinas with the Blue Flag. Despite the purity of the sea, a large number of beaches and marinas marked with the Blue Flag and general attractiveness of Croatia which is the main motivations of tourists in Croatia, as well as a number of national parks, nature parks and UNESCO protected cultural monuments , Croatia needs to take account of sustainable development, according to research by the holder of congress tourism on sustainable development is much more to the story than what actually works systematically.

In terms of development plans construction in Croatia, it can be concluded that Croatia still has a problem with so called "Illegal construction" which is prohibited by law but is present due to historical facts and lack of law enforcement in recent years. Quality planning area is one of the most important prerequisites for long-term sustainable development of tourism. The premise of the broad and narrow sense is the basic premise for the arrival and stay. The task of spatial planning is to balance between accommodation, transport, communications and other services. During the construction of new facilities the architecture and the choice of materials should respect the traditions and indigenous architectural style of the surrounding area. Basic steps for proper use of space in the shortest possible time to make spatial development plans of Croatian tourism, develop master plans - strategic documents for locally targeted tourism development and more efficient exchange of know-how between the regions. Natural resources and natural attractiveness which is rich in Croatia are still the main motivating factor for the arrival and stay of tourists in Croatia. Sustainable exploitation, protection and development of natural resources is a condition without which there is no long-term development of tourism in Croatia.

2.10. Ecological factors of destination Qatar

Given the fact that Qatar is a destination that is rapidly developing in the last decade and that the largest part of GDP as the basis of economic prosperity is based on the wealth of destinations gas and oil, deposits, drilling and processing are located near the capital and in the surrounding sea, which significantly affects the nature of contamination.

¹⁴ <http://www.fee-international.org/en>

Efforts to environmental offices are large and expensive; each green and floral area is based on an artificial surface wetting works flaws rainfall, so the daily care for watering and irrigation of such land, and the high temperatures during the summer months make it difficult to naturally maintenance of green and flowery surface. Nevertheless, great care is taken on the regulation of public land, although it is a common construction (roads, hotels, resorts, convention centers, stadiums and other infrastructure) in feel congestion, dust, sand and impure air particles. Besides the traffic is extremely heavy, large crowds cause air pollution. Sustainable development of destinations do not pay enough attention from the local population nor by other institutions that are supposed to deal with this. Much of the heavy traffic in the wilderness for recreation and entertainment during the weekend, more pollution affects the desert, and one can find a lot of garbage and waste that is disposed in the desert during the numerous visits of visitors (locals and tourists). The state of Qatar leads to negative consequences for the destination and the overall pollution of which should take more into account and take measures that would enable the sustainable development of the destination. Agricultural production is present, but it would need more development of agriculture to be able to conclude that the destination is engaged in the production of food sufficiently. Imports of food and origin of food imports is a problem that should be dealt with destination control of origin, quality of food and the preservation of nutritional value, which is due to geographical location, natural and climatic conditions specific to the destination of Qatar. There are advantages of destination in the winter months because of the attractive warm climate that attracts tourists from Western countries, especially in those months when is the cold in Europe (October to April).

2.11. Legal factors of destination Croatia

Legal structure, tourism legislation and laws relating to the regulation of relations that can affect the development of business tourism in Croatia are mostly typical for the overall development of tourism in Croatia. As Croatia is not achieved a significant result of the basics of business tourism so no laws in Croatia are specifically designed and adopted to strengthen business tourism, but they follow the general regulations of the state. The legal environment in which business operates tourism should regulate issues of the visa regime for visitors who arrive at the destination for the purpose of business events and conferences, with special focus on those countries that are the target market.

From the results of research conducted it can be concluded that the legal regulations concerning the visa regime is insufficient and of poor quality for the market of the Middle and Far East, while in target markets this system performed without difficulty (Europe, USA, Japan and Russia). Croatia is positioned in a way that promotes itself as a tourist destination for leisure, based on the natural attractiveness, which are mainly involved in the promotion of the destination in the target markets, but not to the rich markets of the Middle East, because getting a visa to visit Croatia is very complex.

The fact is that Croatia is not trying to attract a clientele with rich markets of the Middle East that would be invested in the development of the economy in general, and thus to increase the need for business travel to Croatia. According to the research, one

of the disadvantages is the lack of capacity that can accommodate the demands of this clientele and Croatia in this segment still finds. From a legal point of view, Croatia does not have a defined strategy for attracting foreign capital, especially not in terms of investment in conference centers and other infrastructure that is critical for the development of business tourism. The mere regulation of foreign investment in tourism development, as well as slow and complex administration about obtaining the consent of the state institutions and authorities for commencement of business activities in Croatia, it is not stimulating and motivating for foreign investors, and are often rejected and directs to other destinations in which the different legal and legislative measures seeking to attract foreign capital. In this segment, Croatia has not yet progressed sufficiently, as a logical consequence of the political and economic situation in which it is located, which reflects on the business tourism as a form of tourism .

2.12. Legal factors of destination Qatar

Qatar has strong support from state authorities for the development of tourism infrastructure that supports and enables the development of business tourism. The state is investing in infrastructure development but also supports the private sector, and has allowed foreign investors to open businesses in cooperation with local owners and the ratio of 51:49 for the local population. Tourism is one of the strategic development guidelines and business tourism is one of the strategic goals of tourism development and the main direction of development of destination. In line with the strategic objectives was formed the legislation that encourages the development of such investments.

Since the destination strategically focuses on the development of business tourism and tourism for fun and entertainment for high class. "High class" visitor visa regime would need to monitor this development and will be easier to visitors opted for a visit to Qatar and Oman or not the United Arab Emirates where the legislation is simple, coming into the country easier, and offer of products and services is richer and more appropriate expectations of most visitors who are not Muslim. The establishment of QTA and QMDI as an institution that is systematically at the national level involved in tourism and business development strategies and other types of tourism in destination, is a positive step and it can be concluded that the government strongly supports the development of business tourism and tourism sector in general.

3. CONCLUSION

According to the PESTEL analysis of both destinations, Croatia and Qatar, we can conclude that Croatia has the potential for business tourism, but also expresses the need for regulation of all segments of the factor analysis, primarily political and economic situation in the country that can contribute to a positive development, the creation of a positive image in the world and thus increase the importance of aspects of business tourism. Croatia should as well improve the whole infrastructure in terms of needs of business travelers So far, only 10-15% of travelers travel to Croatia for business purposes and vast majority is from Croatia, while minority comes from international environment.

Qatar is a destination that is already positioned as a tourist destination for business tourism, and is in line with the development plans, investments and long-term orientations. Congress and business travel services offered are at a level that can be positioned and recognized worldwide as a destination for business tourism. The major income in tourism sector is earned from business travelers (95%) while only 5% travel to Qatar for other reasons such as recreation and summer or winter vacation.

Its potential should be further improved and systematically built in terms of socio-cultural development, knowledge improvement, involvement of local community in tourism sector, as well as the emphasis on protection of very limited cultural and natural heritage.

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