

Diagnosis

of the tourism status in the City of Warsaw in 2017

SUMMARY



Europejski
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TABLE OF CONTENTS

INTRODUCTION	4
SUMMARY OF DIAGNOSIS CONCLUSIONS	6
SWOT ANALYSIS.....	13
PROBLEM TREE	20
RECOMMENDATIONS REGARDING TOURISM DEVELOPMENT IN WARSAW	23

INTRODUCTION

“Diagnosis of the tourism status in the City of Warsaw in 2017” (hereinafter: Diagnosis) is a study the objective of which is assessment of the current status of tourism of the capital city of Warsaw on the basis of the existing studies and analyses regarding multiple related issues referring both to the supply and demand side of functioning of the tourism market in Warsaw. In the course of preparation of the Diagnosis, a cycle of individual in-depth interviews were held with the management of the Economic Development Department of the Municipal Office of the City of Warsaw, Warsaw Tourist Office, Warsaw Tourism Organization and Tourism Organisation of the Mazovian Region. Conclusions drawn from analyses and diagnoses were also consulted with the stakeholders of the tourism of Warsaw (including the tourism industry) during two workshops.

The Diagnosis was also prepared from the standpoint of the local government unit, which has an impact on the development of tourism and can, in turn, contribute to the performance of strategic aims for development of a given area. The analyses conducted for the Diagnosis resulted in a range of recommendations concerning the development of tourism in Warsaw, which recommendations are to be employed in developing a future tourism development policy in Warsaw.

The scope of the Diagnosis included the following topics (which reflect the structure of the main document):

1. Conditions for formation of tourism development policy in the City of Warsaw (Chapter 1), including:
 - Analysis of (social and consumer) trends and tendencies, influencing the market and planning of the organisation of tourism in Warsaw,
 - Analysis of good practices in tourism development planning,
 - Analysis of organisational and legal conditions of management of tourism development in Warsaw,
 - Identification of competitors of Warsaw on the Polish and European tourism market.
2. The potential and touristic image of the City of Warsaw (Chapter 2), including:
 - Analysis of touristic potential of the city along with the analysis of perspectives for its development,
 - Analysis of image of Warsaw as a tourist destination.
3. Tourists and their impact on Warsaw (Chapter 3), including:
 - Analysis of structure and volume of tourist traffic in Warsaw,
 - Current and target tourist segmentation in Warsaw,
 - Measurement of the tourist function of Warsaw,
 - Analysis of impact of tourism on the economy of Warsaw.

4. Synthesis of conclusions and recommendations (Chapter 4), including:
 - Summary of analyses conclusions,
 - PEST and SWOT analysis,
 - Recommendations for the tourism development policy in Warsaw.

This summary of the Diagnosis contains its key components, i.e. conclusions, SWOT analysis, problem tree analysis and recommendations.

SUMMARY OF DIAGNOSIS CONCLUSIONS

The analyses conducted in the course of diagnosing the condition of tourism in the City of Warsaw made it possible to formulate a range of conclusions referring to individual topics, which have been listed in the introduction. Those are grouped into three areas: conditions for formation of tourism development policy in the City of Warsaw, tourism potential and image of the City of Warsaw and tourists and their impact on Warsaw.

Conditions for formation of tourism development policy in the City of Warsaw

Trends and practices

Analysis of demand trends clearly shows a gradual blurring of boundaries between tourist activity and recreational activity and worktime and free time as well as globalisation of behaviours of ever older and more affluent consumers, who are aware of the need for sustainable use of resources and strive to share the value they receive. Consumers' behaviours are very much individual.

Analysis of supply trends shows that tourism will be more and more dependent on technological solutions and trends born and developed outside of it. Commercialisation of tourism products will require numerous organisational and marketing connections in the form of vertical and horizontal integration and sharing economy platforms will be distributions channels. The role of official promotional portals will diminish to make place for social media forms.

Analysis of contemporary practices in tourism development management in big European metropolises explicitly shows that tourism is treated as a metropolitan function, i.e. such an urban activity area that is directed outwards (it has a supraregional and, first and foremost, supranational significance) and strives solely to obtain funds for the city from the outside, in harmony with sustainable development of internal capitals, the living sphere of its inhabitants in particular. This means that development aims of tourism in global metropolises do not refer to tourism only, but they blend into the development of other urban activity areas, even more crucial for the development of the city. In this light, three key tourism management spheres can be distinguished: sphere of building the brand of the city (tourism as a medium for values and meanings which contribute to boosted brand of the city), sphere of city internationalisation (tourism as a tool for building competitive edge in specific economic and social specialisations of cities by transfer of direct foreign investments, funds, innovations, intellectual capital and cultural capital) and sphere of quality of inhabitants' life (tourism as a reflection and enrichment of the urban life). Therefore, the venue of further support for the development of tourism function in Warsaw leads to focusing activity outside of its former narrow meaning.

Organisational and legal conditions

Analysis of organisational and legal conditions of tourism development management shows that the three entities key for promotional and developmental activity in Warsaw and the Mazovian region (Warsaw Tourism Office, Warsaw Tourism Organization and Tourism

Organisation of the Mazovian Region) collectively (but not jointly) have PLN 9 million at their disposal (in 2016, and that amount is growing at a moderate pace). The amount is low compared to the European cities analysed earlier. This results from unused potential for cooperation between the entities, both among the public, private and mixed sector and among the city, the metropolis and the region. This lack of synergy results not only from lack of clearly allocated competence areas, but also from lack of mechanisms developed based on many years of activity. The emphasised absence of a coordinator of such cooperation seems to be a significant flaw considering the small number of the key entities. The Warsaw suffers from an expressed deficit of the capital key for leadership in tourism – the so-called relational capital, i.e. the ability to cooperate and take action aiming at motivating and facilitating partners' actions. It must be concluded that the current poor condition of the Polish tourism organisation system combined with the lack of a stable financial support for tourism development as well as the incompatibility between the economic structure of the capital city and that of other Polish cities all contribute to the fact that it is impossible to find satisfying organisation solutions in Poland that could be used in Warsaw. However, the examples of specific organisation solutions used for tourism management in the capital cities of EU countries show that it is possible to implement a new organisation model in Warsaw.

Competition

Due to the social and economic potential, the metropolis function and an above-average accessibility, Warsaw competes with Kraków on the domestic market, a city of strong and supranational tourist brand. It might be claimed that the biggest neglect of Warsaw as regards competition so far has been the fact that Kraków has taken over a large portion of the international meetings industry. The competitive situation of Warsaw in relation to Kraków would be better if the congress infrastructure was improved and there was a more intense (and better financed) promotion of local meetings industry. On the European market (limited according to the geopolitical criteria), the cities most similar to Warsaw in terms of tourism are Prague and Budapest, which have a stronger competitive position than the capital city of Poland in many aspects.

The potential and touristic image of the City of Warsaw

Tourism potential of Warsaw

The tourism potential of Warsaw is mostly based on growing accessibility (this factor is crucial in terms of a metropolis) and good transport organisation in the city. Anthropogenic values (of educational, recreational and specialist nature) are also very significant because they have a high potential for attracting tourist traffic to Warsaw. The tourism potential of Warsaw is also significantly formed of natural values, a growing, but still insufficient, supply of accommodation facilities, diverse catering facilities, infrastructure of the meetings industry (still inadequate to the needs), recreational and sport facilities (developing in number and quality) and a developed network of tourist information centres (both in the urban and the virtual area). Diagnosing the tourism potential of the city, there is dynamically changing situation of the cycling transport available to tourists (for the better) and lack of neglected development in relation to the semi-tourist infrastructure.

Out of the 21 product areas (identified on the basis of the available secondary sources), which were also verified in terms of consistency with associations and reasons for arriving in Warsaw, only several can be regarded as tourism products which can reach segments of tourists significant in terms of quantity.

The conducted analyses indicate 5 flagship theme products of Warsaw, i.e. products that are the possible basic motif for the first visit and which have the catalogue commercialisation capacity in relation to direct emission markets. These are: Royal Warsaw, Fighting Warsaw, Judaica Warsaw, Chopin's Warsaw, MICE. The flagship products also include the city break¹ formula.

The image of Warsaw

Analysis of results of studies regarding the image of Warsaw shows that the history (including World War II), culture, tradition and art (including the Jews and the ghetto, monuments and architecture) as well as the function of the capital city are the most important associations with Warsaw. The following are seen as the biggest tourist attractions in Warsaw: The Old Town, Warsaw Rising Museum and the Palace of Culture and Science. Warsaw is regarded as an interesting site, sometimes undiscovered, with high potential for cultural and weekend tourism in the first place. In most cases, tourists who visit Warsaw leave with a better image of the city, deep satisfaction and willingness to recommend the city as worth visiting.

Tourists and their impact on Warsaw

Tourist traffic and segmentation

Analysis of the basic measures characterising the volume of tourist traffic confirms the high position of Warsaw among other Polish cities, but Kraków has noted more nights spent by foreign tourists. Tourist traffic in Warsaw is also not so multinational as in its major foreign competitors, i.e. Prague and Budapest. In the analysed period (2009 – 2016), the number of overnight stays in Warsaw was growing dynamically (by 8.3% per year on average), but that increase was much higher than the increase in the supply of lodgings, which can prevent further development of tourist traffic. On the domestic market of the meetings industry, Warsaw reaches the highest indices in terms of the overall number of meetings and events and international association meetings. Nevertheless, the potential for further growth can be limited due to the lack of a congress centre. The diagnosis has shown a significant influence of the meetings industry on the shaping of the structure of the tourist traffic over time (two high seasons are distinguished: from March to June and from September to November) and on the use of the accommodation facilities (86% of people staying in registered accommodation facilities choose at least three-star hotels, which can indicate a significant share of stays being connected with business). At the same time, recreational tourism is still

¹ The category of the basic product of each city - city break - is so specific that it does not point to particular, visited attractions and places, making it difficult to analyze the basic motives of arriving to the city in such a formula. Therefore, inference is possible, but based on an analysis of the motives of arrivals, recognition and associations to the attractions of the city and indirectly, on the basis of statistical data on occupancy in attractions. Thus, only a comparison of the motives of arrival and expectations itself allows to identify the components of this product. It may therefore turn out that the motive for arriving to Warsaw in the city break formula will be "Royal Warsaw" or "clubbing" or "Winter Warsaw" or a combination of thematic attractions. However, it was considered reasonable to analyze it.

the main reason for visiting Warsaw, which is facilitated for instance by the growing popularity of city break tourism.

Segmentation of tourists, conducted for the purposes of the Diagnosis, led to classification of three domestic tourist segments: occasional visitor, young cultural explorer and the pedagogue, and five foreign tourist segments: hipster, individual cultural explorer, organised cultural explorer, memory traveller and the sentimental Pole. The role of promoters of Warsaw, that is foreigners residing in Warsaw on a temporary or permanent basis, also needs to be brought to attention. Additional analysis with valuing characteristics showed a strong meaning of the “cultural” segments, memory travellers and tourists from the Polish Diaspora. Nevertheless, marketing investment should be first and foremost conducted in the first group of segments, for shaping their reason for travel. The target segmentations of domestic and foreign tourists visiting Warsaw are presented in the tables below.

Table 1: Target segmentation of the domestic tourist

Segment features	Domestic tourist segments		
	Occasional visitor	Young cultural explorer	Pedagogue
place of residence	big cities	big and medium cities	cities
age	from 20	to 25	with a child between 7 and 12
required accommodation	hotel, hostel, suite, at a family's/friends' place	cheap	at a family's/friends' place, suite
method of purchase	accommodation/train, online	organiser, online	accommodation/train, online
expected attractions/products	selective attractions	basic monuments	children-oriented attractions
estimated market share	high	medium	low

Source: own study

Table 2: Target segmentation of the foreign tourist

Segment features	Foreign tourist segments				
	Hipster	Individual cultural explorer	Organised cultural explorer	Sentimental Pole	Memory traveller
place of residence	cities with direct cheap plane connections	cities with direct plane connections	medium and small cities	cities and villages	cities with direct plane connections
age	generation Y	from 20	from 25	from 40	all age groups
required accommodation	hostel, Airbnb, couchsurfing	hotel, hostel or a rented suite	hotel	hotel, hostel, rented suite, friends/family	hotel, hostel
method of purchase	online	online	travel agency or other organiser	online	travel agency or other organiser
expected attractions/products	bars, restaurants, entertainment, city wandering, iconic places	according to their interest	basic tourism products, regarding mostly the "Royal Warsaw" area	basic attractions and novelties	Judaist heritage, World War II
estimated market share	medium	medium	high	medium	high

Source: own study

Emission markets in the attractiveness matrix were analysed and markets recommended for promotion activities were determined as a result. In selection of the markets, it was assumed that trying to pinpoint the place of all European markets in the matrix is counterproductive and that only those markets should be taken into consideration where a possible expansion requires justification. Such markets as Spain, the Netherlands, France, Sweden, Great Britain or Italy are to be treated equally – on those markets promotional activity should be conducted depending on the financial capacity. On the other hand, the following markets are regarded as having the highest level of competitiveness and attractiveness and show highly dynamic growth: Germany as well as USA, Japan, Israel and close domestic market. The attractiveness and competitiveness matrix for tourism markets is presented below. Location on the matrix indicates three groups of markets: of intensive investing (green colour), selective investing (blue colour) and limited investing or withdrawal (grey colour).

Table 3: Assessment of market attractiveness and competitiveness

		ATTRACTIVENESS		
COMPETITIVENESS		high	medium	low
	high	Germany	close domestic Israel	
	medium	USA Japan	Belarus / Russia / Ukraine	
	low	cities / countries of future plane connections GCC ² countries China	Latin America	distant domestic

Source: own study

The tourism function of Warsaw

The synthetic measurement of the tourism function of Warsaw, referring to the general social and economic potential of the city and based on 26 criteria, makes it possible to determine the intensity of the function compared to other cities. On this basis it can be claimed that the tourism function in Warsaw has a slightly lower relative intensity than that in Kraków, but much higher compared to other Polish cities. This does not mean that it is not strong – despite continuous development in the strong economy of Warsaw, it has a limited significance compared to Kraków, where the function belongs to the fundamental functions of the city. In this area, the most prominent is a separate, metropolitan functional structure of Warsaw, which is driven by advanced business-oriented services and functions of the capital city in the first place. This is particularly visible in the sphere of potential, which is considerably poorer than the sphere of result. This means – in a broad sense – that the tourist supply of Warsaw, a bit above the average for the capital cities of Voivodeship, "generates" a result that is three times higher than the average result in those cities. The current strength of the tourism function of Warsaw is created in consequence of qualitative expansion of the offered facilities, and so it aims to achieve high efficiency of use of cultural and business resources and the tourist infrastructure. Such a structure is characteristic of well-developed urban functions. This can also mean that the basic indices characterising the sphere of tourism potential will still go up, but the increase will be relatively smaller compared to the even higher increases in the indices characterising the general social and economic potential of the city. Above all, the strength of the tourism function of Warsaw lies in its multinational nature, which needs to be continuously amplified. Tourism is inscribed in the internationalisation of cities and belongs to the urban activity areas which are being internationalised the most quickly and strongly, which has an effect on the internationalisation of other spheres of economic activity in Warsaw (business tourism plays

² Gulf Cooperation Council

the leading role in this process). Focusing on international expansion is a natural route of metropolitan tourism development.

Impact of tourism on the Warsaw economy

Analysis of impact of tourism on the economy of Warsaw confirms the moderate significance of the former for the overall development of the city and its induced evolutionary nature (depending on other functions of the city). What has a strong impact on the economic potential of Warsaw is the significance of the city and associated development of metropolitan functions, arising from the provision of higher order services, accumulation of management functions and development of smart economic specialisations, which include – according to currently effective regional strategy of innovation – the following: safe food, smart management systems, modern business services and high quality of life. Taking that into consideration, one may claim that both the share in employment (6%), gross value added (PLN 13 billion), contribution of tourism to the GDP of Warsaw (PLN 15.4 billion) and value of investment expenditure in tourism (PLN 2.4 billion) as well as its share in revenue from personal income tax (1.8%) and corporate income tax (2.2%) are at a high level. Moreover, the impact of tourism on the economy of Warsaw is displayed in its metropolitan nature, which is, in effect, directed at increase based on the quality of life of the widest group of inhabitants and other recipients of the urban facilities possible, promotes cooperation between Warsaw and neighbouring local government units and facilitates the network model of economy and management of the capital city. However, this indirect effect is not seen strongly enough, both by the city authorities and the key entities involved in the development of tourism, which are entangled in problems of organisation and management nature and are focused on marketing communication and extensive development of the tourism function itself and not on development of other urban areas by its means.

SWOT ANALYSIS

On the basis of the conducted analyses, the SWOT analysis was created. It serves to identify key strengths and weaknesses as well as opportunities and threats as regards the future of tourism in Warsaw.

The strengths and weaknesses of the tourism in Warsaw and the opportunities and threats connected with its development alike have been grouped into topics so that it is possible to take multiple analytical areas and issues into account. Moreover, factors have been prioritised, i.e. each factor has been granted a weight (the total of factors in a given group: strengths or weaknesses and opportunities or threats, equals 1), which reflects its significance level in relation to the entire set of factors (e.g. strengths). Subsequently, the factors have been assessed (i.e. their impact has been determined). Adding up the weighted scores (formed as a result of multiplying the weights and scores of individual factors) allowed an overall assessment of the strengths and weaknesses as well as the opportunities and threats and, in turn, performance of a strategic diagnosis. On this basis, it was determined whether the strengths prevail over the weaknesses and whether the opportunities prevail over the threats and, in particular, what conclusions and preliminary recommendations can be drawn from it for the tourism policy in Warsaw.

The tables below illustrate the SWOT analysis for the tourism in Warsaw.

Table 4: SWOT analysis – strengths and weaknesses

STRENGTHS				WEAKNESSES			
FACTOR	WEIGHT	SCORE (1-5)	WEIGHTED SCORE	FACTOR	WEIGHT	SCORE (1-5)	WEIGHTED SCORE
LOCALISATION, ORGANISATIONAL AND LEGAL CONDITIONS							
Being a capital city as an advantage for development of individual tourism and MICE	0.4	4	1.6	Ineffective Warsaw tourism management system (overlap of competences of the particular units, insufficient coordination)	0.2	5	1.0
High and growing transport accessibility (including, first and foremost, plane connections)	0.3	4	1.2	Failure to use the good governance concept in tourism management	0.2	5	1.0
MICE sector with staff demonstrating high competences	0.2	4	0.8	Lack of setting goals in areas outside of tourism (referring to smart economic specialisations) for institutions responsible for tourism management	0.2	3	0.6
High personnel (quantitative) and organisational potential of the entities managing the development of tourism in Warsaw	0.1	4	0.4	Lack of tools for financial support for places of events from the MICE sector	0.1	4	0.4
				Failure to take the attractions adjacent to the administrative boundaries of the city into account when managing the development of tourism	0.1	3	0.3
				Development of tourism in the MICE sector not targeted at specialisation in selected business branches key for Warsaw	0.1	3	0.3
				Focus on quantitative aspects of tourism development	0.1	2	0.2
TOTAL WEIGHTED SCORE			4.00	TOTAL WEIGHTED SCORE			3.80

Diagnosis of the tourism status in the City of Warsaw in 2017. Summary

TOURISM POTENTIAL (VALUES, ATTRACTIONS, PRODUCTS, IMAGE)							
High recognisability of Warsaw and its key tourist attractions	0.2	4	0.8	Low commercialisation level of the local offer	0.2	5	1.0
High level of price competitiveness of the tourism offer of Warsaw (especially in relation to city break)	0.2	4	0.8	Low uniqueness level of the city offer in relation to competitors	0.2	4	0.8
High number of attractions and events in the city area	0.1	4	0.4	Domination of history and capital city rank of the city in the image of Warsaw	0.2	3	0.6
Historical, architectural and urbanistic diversity of the city offer	0.1	4	0.4	Low uniqueness level of the image of Warsaw, especially in countries outside Europe	0.2	3	0.6
High tourism product creation potential based on the figure of Fryderyk Chopin	0.1	4	0.4	Poor designation of landmarks and tourist routes	0.1	2	0.2
Potential of the Vistula river	0.1	3	0.3	Insufficient use of new technologies (Virtual and Augmented Reality) in development and creation of tourism attractions of the city	0.1	2	0.2
Presence of a landmark from the UNESCO list	0.1	3	0.3				
A lot of green areas in the city	0.1	2	0.2				
TOTAL WEIGHTED SCORE			3.60	TOTAL WEIGHTED SCORE			3.40
TOURIST TRAFFIC AND SEGMENTS							
High level of satisfaction with stay and recommendation of visit among tourists visiting Warsaw	0.4	3	1.2	Pronounced dominance of the number of same-day visitors over the number of tourists (in the domestic tourism)	0.4	5	2.0
Stable growth of the tourist traffic and its relatively high level in terms of domestic tourists and foreign tourists alike	0.3	4	1.2	Small share of foreign tourists compared to competitive European cities	0.3	4	1.2

Diagnosis of the tourism status in the City of Warsaw in 2017. Summary

Strong competitive position of the city (in terms of the hotel business, gastronomy services, free time services and business tourist services) facilitating the growth of the segment of premium tourists (i.e. high-maintenance tourists)	0.3	4	1.2	Domination of the cultural segment	0.3	3	0.9
TOTAL WEIGHTED SCORE			3.60	TOTAL WEIGHTED SCORE			4.10
DEVELOPMENT OF THE TOURIST FUNCTION OF WARSAW							
Relatively high stage of development of the tourism function in Warsaw (compared to other Polish cities)	0.4	4	1.6	Low level of vertical and horizontal integration of the tourist industry in Warsaw	0.3	4	1.2
Considerable internationalisation of the tourism function	0.4	4	1.6	Insufficient supply of rooms in hotels	0.2	4	0.8
Strong chained-brand hotel concentration	0.2	4	0.8	Non-use of indirect impact of tourism on the economic development of Warsaw arising from its city-forming role and metropolitan characteristics	0.2	2	0.4
				Insufficient use of synergy between increased tourist attractiveness and increased investment attractiveness of the city	0.2	2	0.4
				Concentration of the tourism function in Warsaw in few geographical areas of the city	0.1	2	0.2
TOTAL WEIGHTED SCORE			4.00	TOTAL WEIGHTED SCORE			3.00
AVERAGE STRENGTHS SCORE			3.80	AVERAGE WEAKNESSES SCORE			3.58

Source: own study

Diagnosis of the tourism status in the City of Warsaw in 2017. Summary

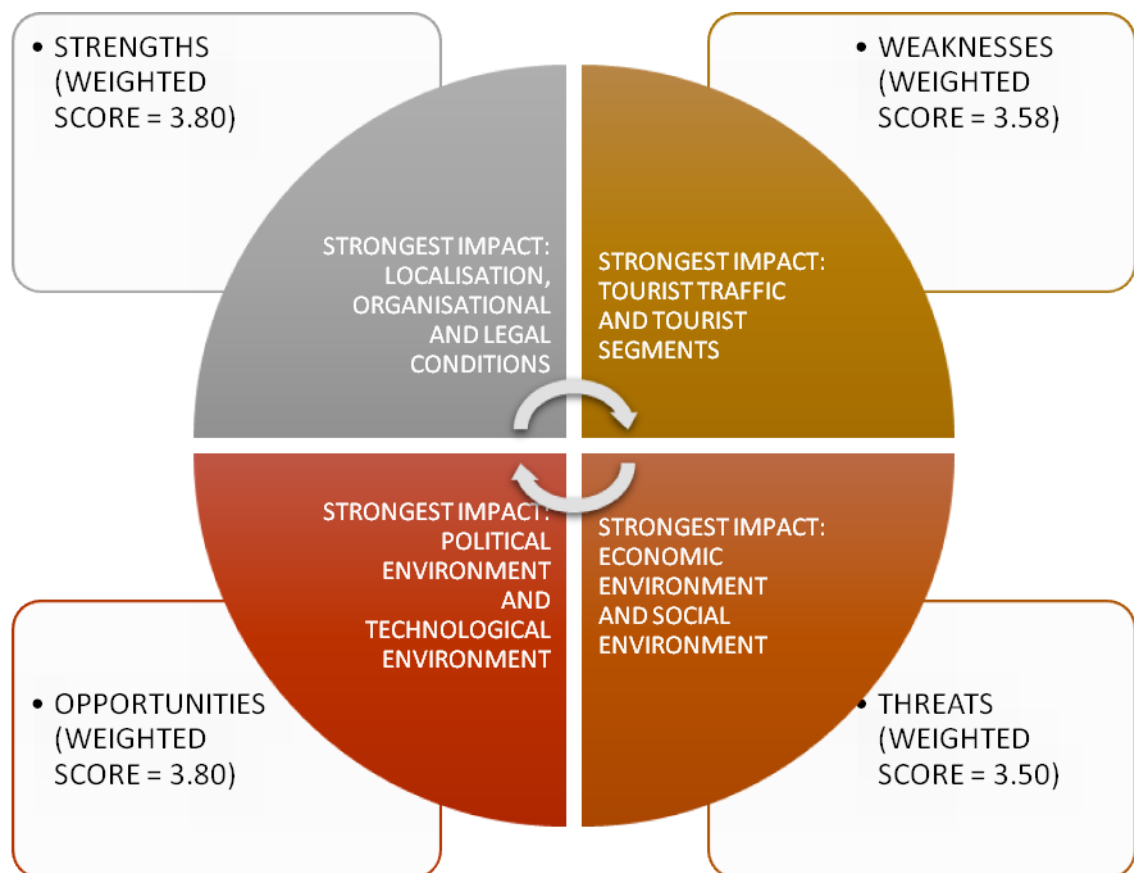
Table 5: SWOT analysis – opportunities and threats

OPPORTUNITIES				THREATS			
FACTOR	WEIGHT	SCORE (1-5)	WEIGHTED SCORE	FACTOR	WEIGHT	SCORE (1-5)	WEIGHTED SCORE
POLITICAL AND TECHNOLOGICAL ENVIRONMENT							
Growing awareness of public authorities concerning the significance of tourism for city development	0.4	5	2	Lack of priorities for tourism in national and European policies and support projects	0.4	4	1.6
Ease of access to information and technological progress allowing creation and promotion of an appealing tourist offer	0.3	4	1.2	Possible terrorist attacks in Poland (or even in capital cities of the Central and Eastern Europe)	0.5	3	1.5
Safety of Warsaw and Poland as a tourist destination (e.g. in the context of terrorist threats)	0.2	4	0.8	Weakened position of EU countries in the global tourism resulting from EU disintegration	0.1	2	0.2
Growing availability of technologies facilitating high mobility of societies	0.1	3	0.3				
TOTAL WEIGHTED SCORE			4.30	TOTAL WEIGHTED SCORE			3.30
ECONOMIC (INCLUDING COMPETITIVE) AND SOCIAL ENVIRONMENT							
Stable increasing demand for city break	0.4	4	1.6	Strongly integrated public and private sector in competitive European cities	0.4	4	1.6
Increased competitive position of cities being national and regional centres of economic growth and important administrative functions	0.2	3	0.6	Relatively faster development of the tourism function in Kraków	0.3	4	1.2
Existence of Mazovian areas of smart specialisation	0.2	2	0.4	Increased economic potential of Wrocław, Katowice and Gdańsk in the area of tourist service supply	0.3	3	0.9
Lack of negation of tourism by inhabitants of Warsaw	0.1	4	0.4				
High potential for internationalisation growth	0.1	3	0.3				
TOTAL WEIGHTED SCORE			3.30	TOTAL WEIGHTED SCORE			3.70
AVERAGE OPPORTUNITIES SCORE			3.80	AVERAGE THREATS SCORE			3.50

Source: own study

Summary of strengths and weaknesses and opportunities and threats along with a balance of factors is presented in the diagram below.

Figure 1: SWOT analysis summary



Source: own study

The result of the SWOT analysis is not unambiguous. Both weaknesses and strengths of tourism as well as opportunities and threats connected with it almost balance out, with a slight advantage on the part of positive factors. The balance of strengths and weaknesses is merely 0.22 (in a scale from 0 to 5) and the balance of opportunities and weaknesses is 0.3.

The results show that the recommended strategy is to use opportunities and develop strengths. For it to be implemented effectively, a deeper analysis must be conducted concerning individual groups of factors in order to identify strategically significant weaknesses and threats, which can disrupt the use of the assumed strategy.

In this context, the most strategically significant opportunities are political and technological factors. Therefore, seeing Warsaw as a safe city and growing awareness of the authorities of the fact that tourism is an important part of development of other economic aspects of the city facilitate using the nature of the capital city for further development of tourism. The capital city status is a leverage for the following: 1) internationalisation of tourism, particularly in relation to development of the MICE sector as safety is currently the most significant factor for choosing a place for conferences and international events, 2) development of transport accessibility and 3) strengthening of presence of chained-brand hotels. In turn, quickly growing opportunities for using information technologies will facilitate both amplification of the

strengths and minimisation of the weaknesses. This presents an opportunity to strengthen the marketing effect of satisfaction from the stay and recommendations among tourists, development of the tourist facilities and traffic as regards high-maintenance tourists, increase in the number of foreign tourists and decrease in predominance of same-day visitors over tourists from Poland.

PROBLEM TREE

Another stage which directly precedes formulating recommendations is the development of a problem tree concerning the issues of the tourism of Warsaw. This method is frequently used to identify the main problem and gain more in-depth understanding of its causes and probable outcomes, which are always complex and often interrelated. For the purposes of this document, it was assumed that the tree will determine the key challenge for the tourism of Warsaw, which will be an indicator for formulation of final recommendations for development of the tourism of Warsaw and ultimately for shaping of tourism development policy.

To create a problem tree, one must start from developing its root system, i.e. root problems (causes). Then, the trunk of the tree is created, i.e. the main problem/challenge is sought. Finally, the crown of the tree is formed, i.e. hypothetical effects of a given state of things is presented.

Causes (root problems)

To determine the root problems, the following questions must be answered:

- What is unsatisfactory in the current situation?
- What troubles and concerns us and makes us intervene?
- What requires change?

Root problems (the causes of the main problem) is a series of complex aspects indicated during workshop works and resulting from this Diagnosis. They have been classified into five thematic groups, the names of which form the root system of the problem tree.

1. Unspecified role and function of the tourism of Warsaw
 - a. Low priority of tourism in the city development policy
 - b. Tourism is not perceived as a branch of economy
 - c. Brand of the city is targeted mostly inwards
2. No systemic tourism management
 - a. Lack of a leader, confusion of managing entities, disintegration of the environment
 - b. Inconsistent vision of development of the tourism of Warsaw
 - c. Formal and legal limitations in cooperation among various groups of stakeholders
 - d. Low level of familiarisation with, conclusions from studies and analyses are not implemented
3. Unused potential for cooperation with the tourism business
 - a. Ineffective cooperation between the public sector and the private sector
 - b. Limited trust of entrepreneurs to local government institutions
 - c. Local government institutions seen as little competent and ineffective

- d. Low level of commercialisation of tourism products
- 4. Uncoordinated, ineffective tourism promotion of the city
 - a. Non-uniform aims of stakeholders in terms of tourism promotion of the city and lack of results indicators
 - b. Lack of joint planning of promotion by entities responsible
 - c. Limited possibilities of the city in implementation of joint promotion policy
- 5. Unused potential for cooperation of Warsaw with the region
 - a. Limiting the development of tourism to the administrative boundaries of the city, without context of cooperation with the region
 - b. Low level of coordination of activities of Warsaw and Mazovia

Main problem (challenge)

Root problems (resulting from results of the workshops and the Diagnosis) lead to formulation of the main problem as follows: Lack of consistent tourism policy of the city, which would adapt the tourism function to the aims of the #Warszawa2030 development strategy.

This means that the main challenge should be to create and implement such a tourism policy in Warsaw that would support the city development aims included in the #Warszawa2030 strategy as directly as possible. In other words, the tourism policy should contribute to implementation of the three dimensions of the vision of Warsaw in 2030: active inhabitants, friendly place and open metropolis. Therefore, an indicator of legitimacy of assumed actions as part of the tourism policy should be a relation to widely understood improvement in quality of the inhabitants' life.

Assumed consequences of occurring problems

As part of assumed consequences (effects) of earlier defined problems, a series of negative phenomena can be determined which are presented below according to three types:

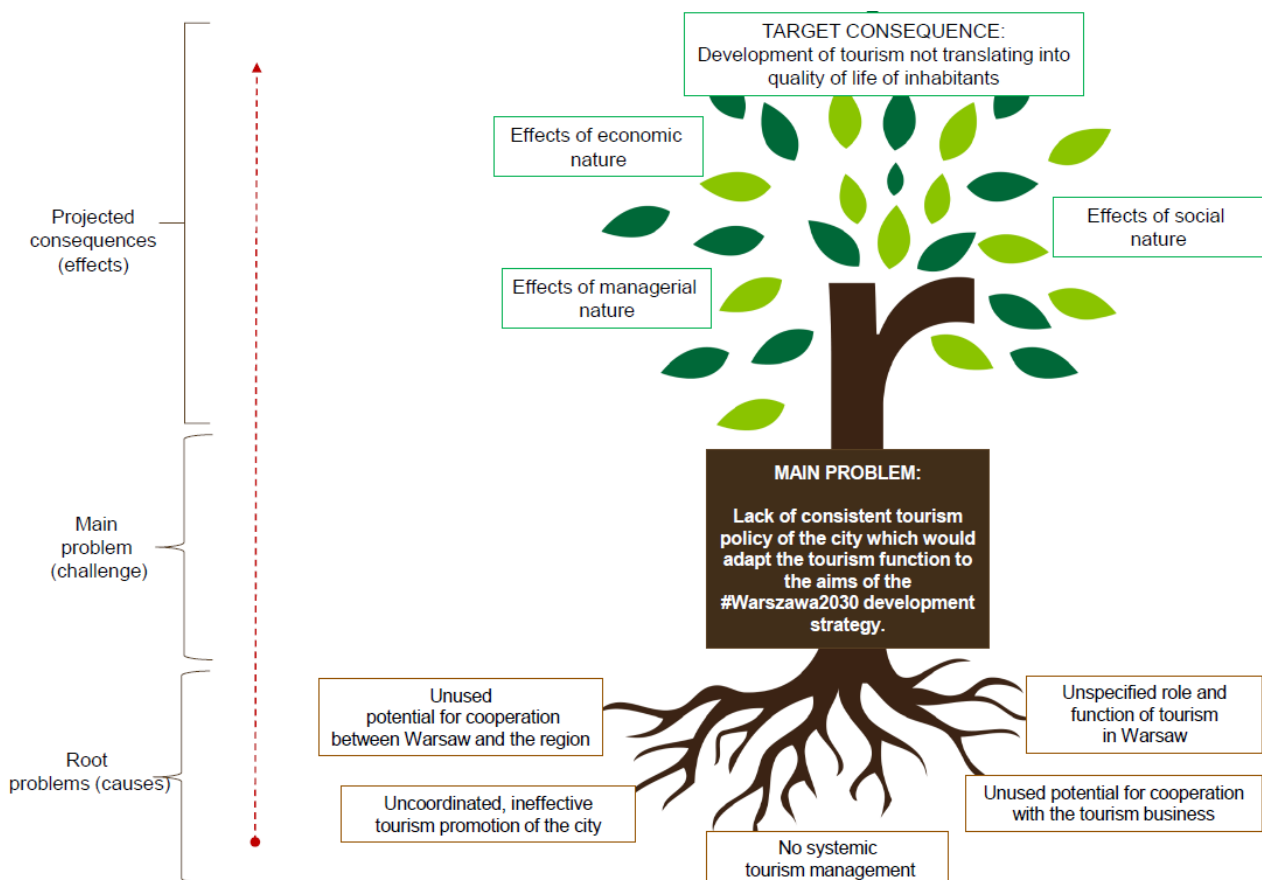
- 1. Effects of managerial nature
 - a. Chaos in competences, organisation and communication
 - b. Overlap of actions and budgets (or, frequently, even competition) of entities responsible for tourism in Warsaw
 - c. Entities assuming actions targeted at contrary aims
 - d. Inconsistent and little appealing tourism image of the city (still dominated by stereotypes)
- 2. Effects of economic nature
 - a. Poorly used tourism potential of Warsaw
 - b. Inhibition of tourism development dynamics

- c. Losing to the competition
 - d. Weak development impulse for the city and the region
 - e. Lower revenue for the city budget
 - f. Unnoticed support for other city development spheres by tourism
3. Effects of social nature
- a. Less causes for pride in the city and lower level of inhabitants' identification with the city
 - b. Lower dynamics of development of the infrastructure, services and products serving the inhabitants
 - c. Ineffective cooperation of the local government, business and social partners
 - d. Unused potential arising from combination of tourism with inhabitants' recreation

If no actions (challenges) are taken, the probable target consequence of the above key problem will be failure to use the development of tourism to improve the quality of life of Warsaw inhabitants.

The ultimate shape of the problem tree is illustrated in the figure below. It is to be read from the bottom, i.e. from root problems upwards: through the main problem and to its consequences.

Figure 2: Problem tree for the tourism of Warsaw



Source: own study

RECOMMENDATIONS REGARDING TOURISM DEVELOPMENT IN WARSAW

The issues included in the problem tree reflect the specific situation of Warsaw as they are often a result of unsolved issues, which were emphasised in this document so far. It is no accident that they lack three components: a wider, external outlook on the development of the tourism function in relation to the development of the entire city, a market-related perspective, which should be characteristic of entities responsible for managing activity which is related to market to a large extent, as well as reference of challenges to conditions that are shaped by the so-called macroeconomic environment.

It is worth mentioning that problems, collected in a high number and presented in the scheme deviate - which is understandable due to the nature of the analysing tool - from the clearly positive conclusion resulting from the Diagnosis:

tourism function in Warsaw is strong, it is developing successfully which is proven by the value of almost all the indicators shown in the Diagnosis, and it is relatively significant - in terms of its interdisciplinary and dispersed nature - in the functional (economic) sphere of the city.

Thus, a following thesis can be proposed:

despite long-term and accurately diagnosed development challenges, tourism function in Warsaw is in the phase of metropolitan development, that is, it has all qualities of metropolitan function characteristics for the so-called cities of international tourism to which we can include Vienna, London or Amsterdam; Warsaw, however, in comparison to them, is on the initial stage of development.

Those cities manifest relatively high levels of particular urban functions and development indicators and at the same time they show above-average economic potential of tourism function which, however, in the overall image of development it is inferior to other functions and its significance is blurred.

Due to the aforementioned, recommendations for future Warsaw tourism policy shall be formulated. They constitute conceptual indications for future tourism without attempts of visions shaping as well as development aims.

1. **Future tourism policy shall be shaped by basing of metropolitan tourism function development paradigm.** Taking it into the considerations, we shall refer to the examples of tourism development planning examples in cities which use such a paradigm: London, Amsterdam and Vienna or, until recently - Copenhagen.
2. **Current actions within the scope of development support and marketing communication of Warsaw as an attractive city in terms of tourism should be continued.** This sphere should remain the basic field of tourism policy actions.
3. **Moreover, actions which will be creating tourism added value in other zones of the city should be pointed out and initiated.** This direction of tourism policy has not been implemented in Warsaw as an aim of development policy in relation to tourism.

4. The logics of creation of future tourism policy shall be based on the assumption that **the tourism function should be a tool of development support not only in relation to characteristic actions for the tourism itself, but among all, for all tools of life quality improvement in the city.**
5. Following the example of metropolitan cities, to support the development and increase the competitiveness of tourism function, **aims and directions of development should be formulated in such a manner so that they relate to the strengthening of Warsaw image as a city attractive in tourism terms and so that they serve enhancement of other city functions and they contribute to the growth of competitiveness of economical specializations of the city.** The strength of tourism as a metropolitan function should be enhanced by support system of other functional zones of Warsaw. The significance and intensity of tourism functions should be measure not only by use of tourism measurements but also through its usability for other functions (accuracy in creation of added value for those functions).
6. Within this context, **the adjustment of tourism policy to the aims of city development strategy #Warszawa2030 should be the main challenge of the future tourism policy.** It means that the aims of tourism policy should contribute to reach three dimensions of vision for Warsaw in 2030: active inhabitants, friendly place and open metropolis.
7. The relationship of tourism with increase of quality of inhabitant's life should be the same effect as well as measurement of evaluation of rightness of adopted actions within the scope of tourism policy. Whenever justified, the inhabitants should be treated as addressees of tourism policy actions within the concept of life touristification in metropolises. It means that **decisions and actions adopted in relation to the tourism sphere in Warsaw should be, first of all, directed for growth of universal quality of life in the city of both the inhabitants as well as temporal visitors.** Experience of life in the city, use from the space and services of high social value should constitute the supreme idea of tourism policy programming.
8. It is recommended that the second parallel plane of tourism policy shaping in Warsaw should be the tri-partite division of **the key areas of influence in which the tourism policy in the international metropolises concentrates:**
 - **tourism as a tool in construction of Warsaw brand capital** - provisions for e.g. related with the principles of selection of targeted segments, emission markets and product range should find in this scope as well as determination of those assets of brand capital which can be communicated to the external addresses (tourists and same-day visitors, investors, entrepreneurs, students, potential inhabitants) and internal (inhabitants, employees and city promoters);
 - **tourism as a tool of Warsaw internationalisation** - for e.g. provisions related to those fields and economic specialisations of the which will be indicated as spheres of added value creation by the tourism as well as action within the scope of influence analysis of tourism on the city economy should be find within this scope;

- **tourism as a tool increasing the quality of inhabitants' life**, for e.g., provisions integrating tourism function should be found within this scope with recreational function of the city, integrating the city offer with the suburban offer and regional offer, encouraging to conscious balanced tourism and recreational consumptions as well as monitoring of tourism influence on the quality of inhabitants' life as well as relation of the citizens to the tourism development.
9. Both presented dimensions - the dimension of strategic and operational aims of the city (the plane of tourism evaluation throughout the city support, recommendation no. 6) and the dimensions of three fields of tourism effect (plane of city evaluation through tourism support, recommendation no. 8), strategic fields can be integrated between themselves so that to show in which scope tourism development relates to the implementation of #Warszawa2030 visions.
 10. Proceeding to the formulation of tourism policy, **the verification of strategic aims and operational strategies #Warszawa2030, under the view of analysis of possibility and advisability of inclusion of added value by the sphere of tourism should be done.** As a result of this analysis, those operational aims should be selected for which the tourism added value would be the highest and extending the scope of tourism development itself to the highest degree (also throughout alternative, currently unused solutions).
 11. It requires **broadening of competences and the scope of action of subject liable for tourism development by new, currently unused fields.** The risk of those action can be a competence conflict reported by institutions responsible for those fields (for e.g. transport, social services, economic specializations etc.), so far unaccustomed to the activity sphere of tourism within this scope.
 12. It is recommended in the mid-term horizon - following the pattern of aforementioned European cities - **inclusion of tourism to (or attachment to tourism) actions within the scope of receiving external capitals for the city:** direct foreign investments, innovation of open character (including social inclusive), intellectual and social capital in a form of students and new inhabitants, as well as external cash and cultural capital.
 13. It is recommended that tourism policy as a strategic action, should be directed for the higher degree (than so far) on the **strengthening of local meetings industry development**, first of all, within the scope of development of congress infrastructure as well as in the financial form (budget dedicated to sale promotion of the city as a centre of meetings and events) as well as organisational form.
 14. **Verification of organisational structure of promotion management sphere as well as tourism development under the view of enabling active and broaden actions which aim is to create added value of tourism for other fields and specializations of the city is recommended.** Within this context, the approach to the issue of DMO functioning and leadership in the tourist development should be changed. Under the new conditions, the leader should be the entity that increases the possibilities of creating added value that tourism brings to other areas of the city and its economic specializations, not the one with the largest budget.

15. Furthermore, **the tourism policy should refer to key factors of the tourism sphere in Warsaw** understood as development of the function itself as well as aspects related to its management. The most important (measured through significance and probability of occurrence) factor in the scope of the political environment are administrative decisions in the structure of the Municipal Office of the City of Warsaw in the scope of placement of tourism, together with broader competences in the scope of broadly-understood attracting of external capitals to the city. It is a decisive factor in the context of development of the tourism policy of the city. A lower, yet still significant impact is exerted by the activities diversifying the sources of financing of activities in the scope of marketing and support of the tourism function. The group of technological factors includes the analysis of impact of the potential new airport of central nature, increase of focus on application of smart technological solutions in the functioning of the city as well as active activities aimed at employment of effects of the improving transport availability of Warsaw. Changes in the demand and changes in the image of Warsaw must be monitored in the group of socio-cultural factors. In the group of economic factors, it is necessary to create conditions of support for competitiveness of local tourism enterprises and the meetings industry.
16. Furthermore, it is recommended that **the tourism policy should specify in an exact manner the scope of necessary market analyses in the sphere of tourism or areas of attracting external capital as well as analyses and research regarding impact of tourism on the social and economic potential of the city and selected functions as well as studies regarding the volume and structure of the tourist traffic and image of the city** (with specification of the sources of financing of the said analyses).
17. In order to **arrange the situation of distribution of competences among the entities responsible for development and promotion of tourism in Warsaw**, the entities superior in the organisational structure of the city in relation to Warsaw Tourist Office should determine a clear division of competences, especially in the scope of:
- carrying out or ordering tourism-related research,
 - preparation of graphic materials for the purpose of information and promotion campaigns,
 - planning, ordering and distribution of promotion materials for the purpose of the City of Warsaw,
 - preparation and coordination of projects related to participation of the City of Warsaw in domestic and international exhibition and fair events,
 - keeping the website and social media profiles.
18. In the nearest future, the tourism offer of Warsaw should focus on **creating conditions of individual composition of impressions from the city visit of the tourists visiting Warsaw and orientation on cooperation** both with other entities having an effect on the form of the tourist offer as well as entities representing the agency sphere that does not regard only classical tourist agency (in relation to business tourism or leisure tourism), but also agency in the sphere of business

information transfer (big data), new form of distribution and sale, social networks and transport sphere (continuous improvement of availability in the communication network of the European and other cities).

19. In relation to the marketing communication of Warsaw on the international tourism market, **the tourism policy should emphasise the need for strategic decisions in relation to the study, assessment and gradation of the segments of recipients, issue markets and proposals for product areas** adjusted to them with division, inter alia, into flagship areas (related to the basic values forming the Warsaw brand) as well as supplementary product areas that can be communicated and commercialised at the target place.
20. **The tourism policy should be formulated in such a manner that it provides the framework of competence and substantive activity of the key entities** and, concurrently, makes it easier - and not replace - for them determination of strategic goals of the marketing and development activity programmes, application of the marketing communication tools selected by them as well as support of innovations of open nature.