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## INTRODUCTION

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Science is the knowledge of the existing, which systematically totally covers a sector of issues. Science is one and its purpose is the understanding of all phenomena. Due to human's incapability of mental controlling the whole of universal rules, science is divided to partial "sciences" and each one covers its objective field.

The science of tourism can be divided in two parts. The sciences of understanding the tourism phenomenon and the sciences of the enterprises of hospitality and their management.

Dealing with sciences leads to complete studies whose purpose is the understanding of the reality. These studies are set to be published in refereed scientific journals. Their publication is judged for being original, complete and correct, by members of the academic community. Then, these publications are considered as valid and can be used by other researchers for the spread of knowledge.

Aim of the magazine is the spread of knowledge related to the scientific fields of tourism. In Tourism Issues there are being published original articles and obligatorily new researches. The writing language can be Greek, English, French or German. The scripts will be evaluated by three - membered scientific committee whose members have deep knowledge of the specific fields.

Laloumis Dimitris

## WRITING GUIDELINES

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In “Journall of Tourism Research” can be published original articles and research studies dealing with tourism topics. The articles and the studies should have never been published before.

Every scientific paper should not exceed a maximum of 8000 words and should be sent in electronic form at [tri@dratte.gr](mailto:tri@dratte.gr).

The first page of the paper should include in the following order: paper title, author’s name and surname, affiliation, postal address, telephone and fax numbers, email address, acknowledgements. In the case of co-authors, their full details should also appear (all correspondence will be sent to the first named author). Also include an abstract of 200-250 words, and up to five keywords.

The second page should contain the title of the paper, an abstract of 200-250 words, and up to five keywords. Do *not* include the author(s) details in this page.

Subsequent pages: main body of text; list of references; appendices; endnotes (endnotes should be kept to a minimum).

Every paper should be accompanied by a 180-word abstract. The text of the abstract is not allowed to be part of the paper. Also, the author should propose 4 key words associated with the main fields dealt with in the paper. The aforementioned (name, title, abstract and key words) should be given in English and Greek, as well as in the language of composition in case this is French or German.

Tables, figures and illustrations should be referred to and included in the text, in gray tint. Each table, figure and illustration should be numbered consecutively (in Arabic numbers) and titled. Tables, figures and illustrations should not exceed one page and should be kept to a minimum.

The text should be organized under appropriate section headings. Section headings should be marked as follows: primary headings should be typed in upper case and bold (e.g. **INTRODUCTION**); subsection headings should be in upper and lower case and bold (e.g. **Tourism Planning**).

Quotations should be taken accurately from the original source. Alterations to quotations should be noted. Quotation marks (“ ”) should be used to denote direct quotes. Inverted commas (‘ ’) are to be used to denote a quote within a quotation.

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Every paper will be examined by a three-member scientific committee. The committee's members cover cognitive fields relevant to the papers' topics and receive the papers with the author's/s' name undisclosed. The judging process will be completed with author's anonymity throughout. The judges will propose to the editorial committee the acceptance or the rejection of a paper to be published or the possibility of publishing an article after corrections suggested by the judging committee.

After the papers' judgement, the authors will be notified, either the judgement has been positive or not. The approved papers will be published according to priority of chronological order.

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## **PEDAGOGICAL TECHNIQUES IN LIFE LONG LEARNING AND HOSPITALITY**

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### **Abstract**

Hospitality instructors in Life Long Learning Institutions as well as Hospitality Executives in most cases need to improve their pedagogical skills in order to train employees to meet company's goals and objectives. The scope of this paper is to suggest efficient methods in order to assist Hospitality instructors and executives in their training on the job tasks, and thus to improve employee's satisfaction and ultimately, to increase guest satisfaction. Firstly, an examination of the theoretical approach is made on Innovation and Quality Circles. Then suggests the Imagination, Innovation, Adaptability, (IM.I.A.) approach as training method. Lastly, examines the findings of a practical approach for instructors and executives - via Field Study- in the Greek hospitality industry.

**Key words:** Imagination, Innovation, Adaptability (IM.I.A.), Soft Skills, Quality Circles, Greek Hospitality Industry, Employee's Satisfaction

## **1. Introduction**

Enhancement of employees' soft skills within the hospitality sector plays a vital role, since in most of the time they interact with guests and the overall task to be performed necessitates initiative, imagination and adaptability. Executives face difficulties how they can foster soft skills to front line employees. On the job training it is more convenient for them to give emphasis to routine tasks and to technical skills. Moreover, in Lifelong Training Centers, instructors face the same difficulties when training of participants of various departments of hotels occurs. Furthermore, employees need support when performing their tasks especially when are in front line working positions and encounter the needs and wants of guests. Living space for initiatives potentially facilitates management and employees' motivation.

Yet the unique challenges that an executive meets in practice when is performing as an instructor and/or as an executive, constitute the *Imagination, Innovation, Adaptability (I.M.I.A.)* concept a potential powerful tool for employees' increased performance.

## **2. Methodology**

The methodology of this research was based on two main pillars: Secondary research and Field Study. In specific:

### ***A. Secondary data.***

A theoretical approach on secondary data took place examining the topics of: a) Innovation, b) Quality Circles and c) The Greek Tourism Industry

### ***B. Field Study***

On the Field Study Emphasis was given in the planning, implementation and evaluation of 7 different groups of 25 students each – 175 in total - in Life Long Learning Institutions. The duration of each seminar was four weeks with additional time for individual research before or after lessons. The method that has been used was the formation of Quality Circles with setting the objectives for each group by the participants themselves. The implementation took place during December 2014 - to March 2015 in Life Long Learning Institution with topic "Innovation". The students (sample) were from various target groups within the service sector and in particular from the tourism and hospitality industry (See Table 1). The members of the groups, were from various departments of hotels of all types mainly from 4 and 5\* categories. During implementation of the "Bottom up" approach was used with various implications to both Life Long Learning Institutions & Hospitality Organizations. In the latter case, this approach could

implement in training sessions on the “job training” with respective results. Evaluation of the seminars clearly have shown that participants are more prone to set the standards of their performance especially when are dealing with complex tasks.

### ***Limitations***

The major limitation of the Implementation of such teaching approaches methods is that the results of each individual/ participant of each group has performed is very difficult to be measured. Although the deliverables and the group work is clear the degree of the participation of each member was not clear. The nature of the objective set, the experience of the participants along with their background, constitutes the setting of objective performance criteria a complex task.

### **3. Innovation**

The most comprehensive definition of the term innovation is given by Chris Freeman (1982): "industrial innovation includes technical design, production, management and marketing associated with the introduction of a new (or improved) or the first commercial application a new (or improved) process or equipment."

Innovation is defined as "the use of knowledge in order to produce and provision of new products or services that consumers want. "The Innovation that can refer to a new product or a new service to their production methods or technology used, as in the administrative structure of an organization". (Tomala, & Seneccal, 2004).

#### ***3.1. Innovation Development Forms***

A company can develop and implement three basic forms of innovation, based on its scope:

- a) the *Innovative Product or Service*,
- b) *Innovation on Production Processes* and
- c) *Organizational Innovation* (Phelps, et all 2007), (Omachonu & Einspruch 2010), (Chang 2011).

## **4. Soft skills vs. Hard Skills**

### **4.1. Soft skills**

Since there are various definitions and various debates of the extent and the content of Soft Skills to facilitate the purpose of this article, Soft skills could be defined as a term often associated with an individuals' characteristics, the cluster of personality traits, social and communication skills, knowledge of foreign languages, personal habits, friendliness, managing people, leadership, etc. that characterize relationships with other individuals. Hard skills, are generally easily quantifiable and measurable, for instance Front Office software knowledge, basic cleaning skills in Housekeeping, while as soft skills are not easy to be measured..

Within the above context, Innovation, Imagination and Adaptability, as part of Soft Skills are set into test in order to prove their efficiency in the work place of the Hospitality industry as well as within the Lifelong Learning process.

### **4.2. Hard Skills**

On the other end the Hard/ Technical skills can be as all the professional qualifications necessary for every specific task that needed to be performed in the respective hotel department. For example, in the Food and Beverage (F & B) department of a hotel, the knowledge, experience and skills that a master chef needs in order to deliver culinary products.

## **5. Quality Circles**

5.1. Definition of Quality Circles: They are small groups of employees 5-15 persons who perform the same or similar work, come together at regular intervals to determine the causes of labour problems that arise in the workplace, suggest solutions to senior Management of the company and responsible for implementing their proposals, if this is possible.

The problems with which mainly involved members of a Quality Circle are as follows:

a) Improve the quality of manufactured products, b) Conditions of safety, c) Reducing production costs, d) Improvement of the production process but even with problems of the overall improvement of quality of life in the workplace.

The Quality Circles are not the very essence of organization and the structure of formal Project Teams, with the traditional sense, within the official structure of the enterprise. They lack the principle of authority, as expressed in the relationships between executives and subordinates- existing in a typical

project team (Departments, Administration etc.). Another key element that distinguishes Quality Circles from traditional formal working teams/groups is the voluntary participation of members and the free withdrawal from the group if they wish. The Quality Circles operate in parallel but independently of the formal organization of the firm for the success of their own goals, ideally defined by the base (team members).

The Quality Circles have their own organization and differ greatly from traditional organizational structures operating in businesses in Western Societies such as: Task Force, Semi-autonomous groups learning groups in the workplace.. These differences mainly refer to: a) the clarity and advance fixing of team objectives, b) the leadership of these teams, provided by members of senior Management (Task Force), c) the main object of interest, d) to the extent of flexible participation and withdrawal of members from the group (Semi-autonomous work group and e) the subject employees' education (Drucker, 1981).

## **6. Characteristics of the Greek Hospitality Industry**

It is worth mentioning that every Quality Circle is unique. Thus, the hotel manager or the instructor respectively must elaborate IM..I.A. not only with the different variety of employees / students experiences and backgrounds but also has to take under serious consideration the overall PEST environment that the Institution/ Organization is operating in. This is if for instance, the Political. Economic, Social. Technological (PEST) environment is as also told «Hostile», the hotel management should take this fact into account when formulating the Quality Circle/ team. In particular, when for instance the overall economy of a country is under recession, he would act differently as the overall economy is at its best. By the same token employees'/ students' values and attitudes may vary among participants of the team - Quality Circle, thus once again selection of members should be granted as very important.

Furthermore, by the term «Hostile» environments probably a wide area of variables -beyond economic recession- could be included. The micro- environment of the hotel company or the educational institution is a good example when interpreting hostile environments. Loans, debts, shortage of employees, low annual occupancy, new emerging tourism destinations, and shift of customers' expectations are namely some examples of hostile environments. In addition, the characteristics of tourism employment are in brief as follows:

Small size of the hotel business.. 95% of hotels in Greece are small to medium size). In addition is worth mentioning that out of the 9.670 Hotels in Greece only 348 are 5\* star hotels (See table (SETE. 2013, Hellenic Chamber of Hotels, 2013).

labour intensive

the majority of the workforce has limited qualifications and attracts workforce from other service sectors which face recession

time pressure mainly due to the encounter with guests

high demand fluctuations (seasonality), This accounts annually, monthly weekly and even on a daily basis

low salaries of employees and executives in comparison with other service industries

hospitality employees and executives are forced to internal migration in order the workforce to meet tourism demand with supply

complex services

diversity of tasks (Front Office, Food & Beverage, Housekeeping, Sales, Animation and others)

managers face difficulties to measure employees' performance and satisfaction (Papayiannis, 2003).

## **7. Implications for the hospitality Industry**

### ***7.1. IM. I.A in Practice in the Hospitality Industry The Bottom up approach***

The IM.I.A concept could be used in the Hospitality Industry in practice for both hospitality organizations as well as training institutions. What is important that it should be based on the "Bottom up approach", i.e. give space to employees and trainees to build up with no limits and borders their own goals and objectives. In contrast, the classical "instructing" top - down approach should be inefficient and thus will minimise the potential abilities of the participants. (See Figure 1). Moreover, in the case that complex tasks needed to be performed, the Bottom up approach is more likely to succeed in terms of productive ideas. On the contrary the top-down approach is more likely to be efficient on daily routine tasks that not require anything else but obedience (Papayiannis, 2003, 345- 370).

#### ***Setting the Team – Quality Circle***

Selection of members of the team is a prerequisite for the efficient workflow of the overall task. In addition, according to each unique qualification that each member has, can actually work as team member later on when contribution of all is required.

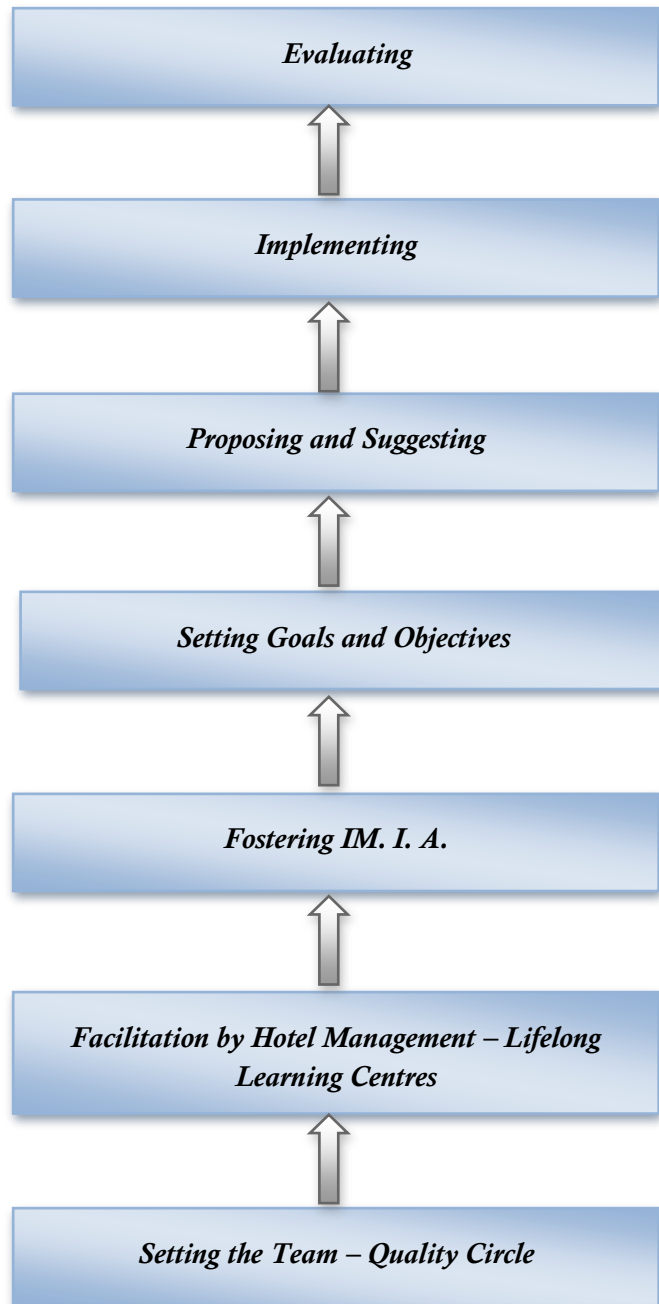
It is important to emphasize that participation in such teams is on a voluntary basis.



Figure 1

*IM. I.A in Practice in the Hospitality Industry*

*The Bottom up approach*



Source: By the authors

### ***Facilitation by Hotel Management – Lifelong Learning Centres***

Both the Hotel Management when training on the job is fully accepted and Lifelong Learning Centres should facilitate all needs and wants of the members of the team.

For instance if the actual formation of the team needs to be set out of the working hours, then the management need to provide the appropriate meeting room.

#### ***Fostering IM.I.A. Culture to the Team***

Fostering Imagination, Innovation and Adaptability (IM.I.A.) culture in the formatted team requires the following steps taken by the instructor/ manager of the Hospitality Organization:

*a) Creating Class Culture, b) Describing aims and Goals, c) Set expectations d)Brain storming, e) Suggestions/ alternatives, f) Implementations g) Propose and evaluate*

#### ***Setting Goals and Objectives***

Setting the team Goals and Objectives is crucial. The team highly respects these objectives since they are not instructed by any other senior executive or is not part of the routine daily tasks need to perform on a daily basis. Therefore, the sense of pride is involved for a “job well done”. The team leader that arises among other members of the team, due to soft skills he/she has, takes initiatives and the burden of failure or success of these set objectives.

#### ***Proposing and Suggesting***

The team then proposes and suggests solutions and alternatives either to the senior management or to the team itself, in order to proceed to implementation. In the latter case, the team feels more obliged to achieve the objectives that have set for its self.

#### ***Implementing***

The implementation of the task is rather a priority than an obligation on behalf of the team members. In fact they are looking forward to see if what they proposed can be implement in reality. Since the management has authorized them to implement their own proposals the overall members’ job satisfaction will be increased. Furthermore the degree of this satisfaction lasts even when the team will end its task and members will go back in their usual working positions. In the case of Lifelong training

institutions, where students-members of the team go back to their hotel organizations still the overall job satisfaction remains strong at least for a short period of time.

In addition, if the management of the respective hotel will follow the proposals and suggestions of the team, then the grade of job satisfaction will further be increased.

### *Evaluating*

As an aftermath, the team makes a self-assessment both for their overall performance as a team and of the individual input of each member. Is crucial to mention that this evaluation is been made by the members themselves and not by the senior management.

## **7.2. IM.I.A. in Life Long Learning Institutions & Hospitality Organizations**

It has already been implemented in 7 different groups of 25 students each during December 2014 - to March 2015 in Life Long Learning Institution with topic "Innovation". The participants where form various target groups within the service sector and in particular from the tourism and hospitality industry. The members of the groups, where from various departments of hotels of all types mainly form 4 and 5\* categories. During implementation of the "Bottom up" approach was used with various implications to both Life Long Learning Institutions & Hospitality Organizations. In the latter case, this approach could implement in training sessions on the "job training" with respective results. In specific: The IM.I.A. concept applies equally to both Lifelong Learning Centers and Hospitality Executives. The former gives the opportunity to students to enhance their potential in class while as the in the latter case the hospitality employees can increase their productivity.

### *Means of Facilitation*

Provide to trainees, students and employees all necessary means in order to facilitate their work. Delete obstacles and provide them the appropriate tools for self- development. In turn complex tasks that require mental input will be solved with less effort.

### *Enhancement of Soft Skills*

Enhance all types of soft skills in order to adjust each one of them in the respective situation in the work place or in the class.

### *Fostering IM. I. A.*

With the use of interactive teaching methods, the IM.I.A. culture could be fostered among participants. In specific the following tools could be used in practice: a) Group work, b) Role playing, c) Case studies d) Simulations, e) Assignments

### *Formation of Quality Circles*

Formation of Quality Circles is only one potential tool that might be used if the instructor/ educator/ manager will decides that this is the most appropriate if the all other variables are suitable for the case in question. Once again if the overall environment as well the qualifications of the target group and s the nature of the task are favorable, then the choice of Quality Circles could be useful.

### *Achieving Goals & Objectives*

The means to achieve goals and objectives is also important. The team -Quality Circle- are more prone to implement projects, problem solving techniques and so on. Moreover, when the team will actually materialize the outcome of their work can more easily to transfer the results or at last the methodology use in their own working environments. In particular, the experience gained by the methodology used in the Lifelong Training Centres will be very useful in the training sessions and the team formulation in the hospitality organizations.

### *Customer's Satisfaction & Profitability*

As an aftermath employees' or/and trainees participation in such training pedagogical seminars will increase job satisfaction and thus to a better job performance. Thus this will lead to a potential customer's satisfaction and increased companies' profitability

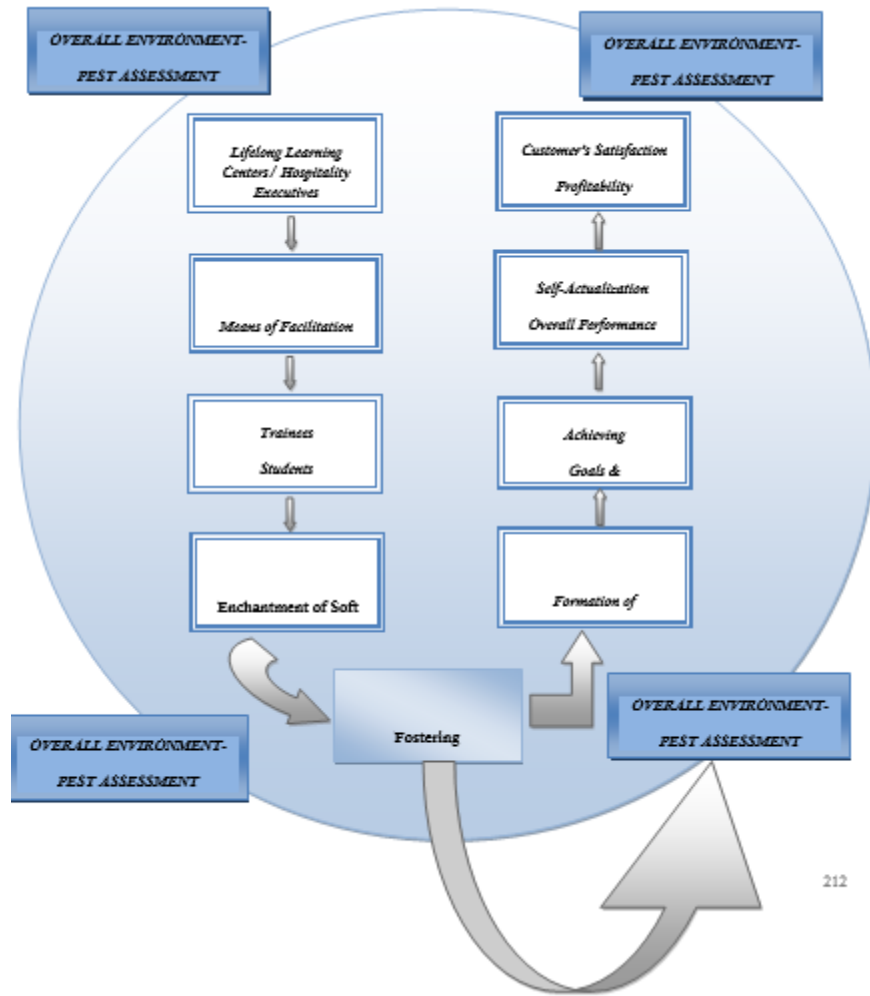
### *OVERALL ENVIRONMENT - PEST ASSESSMENT*

Instructors always should take under consideration the overall environment that the Lifelong Learning institutions or the hospitality organization is operating in. A political, economic, social and technological assessment is vital. Thus in each specific variation an instructors should be able to adapt new tools and pedagogical methods (See Figure 2).

Figure 2

*IM.I.A. in Life Long Learning & Hospitality Organizations*

Source: By the authors



## 8. Conclusions

To conclude, the *IM.I.A.* approach could prove useful tool for enhancing both employees' and students' involvement in decision making and thus to increase self-motivation and ultimately to job satisfaction. The Quality Circles might be used in practice; however it is up to the instructor/ manager to choose the appropriate pedagogical method. He can use his own Imagination, Innovative approaches and his Adaptability to the specific Political, Economic, Social and Technological parameters given to each particular organization. Even if the participants are not adequately able to perform in such team working conditions he/she could find alternatives by using the *IM.I.A.* concept. Further research is required related

to the hospitality industry, in order to have more concrete and definite conclusions. Nevertheless, the aforementioned approach remains valid and could be used as «pilot» for further comprehensive research concerning the Human Capital in the Hospitality Industry.

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## STRATEGIC MANAGEMENT PERSPECTIVE ON THE CHALLENGES AND OPPORTUNITIES IN IRAN HEALTH TOURISM

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**Abstract:** The tourism industry is one of the world's largest and most efficient economic activity that creates the highest level of added value and directly and indirectly influences other economic & cultural activities . Tourism is one of the major sources of employment & income generation in the world such that many refer to it as the world's first industry. Health tourism plays an important role in national revenue of many countries; This industry earns about 100 billion dollars for the governments each year. However, Tourism is not developed in Iran and it is in its initial paces. As a matter of fact, the Ministry of Health recognized tourism-therapy in 2003. In addition, by doing this, rather than supporting tourism-therapy, the ministry mainly tried to create new jobs for the graduates of medical sciences. However, tourism-therapy was introduced as an independent industry in 2004 by the merger The Cultural Heritage Organization to The Iran and World Tourism. According to the planning, the Iranian government has devised plans to cover 30% of medical and health needs of the country, by the end of 4th national development program, through exporting medical products and services. Therefore, determining the obstacles in the way of optimum development of tourism-therapy industry is of great help to the country.



This paper sets out to determine the effective factors for attracting health tourism to Iran & examined the actual potential that foreign patients represent based on costs, quality & recognizing other aspects of marketing mix & investigated the role of the government & related organizations in this market. Iranian health facilities according to the special situation of Iran can provide a massive & potential for medical & health tourism & Iran can become a hub of medical tourism in the region in future.

**Keywords:** Tourism industry, Health Tourism, Iran, Attracting, Effective, SWOT

## **1. Introduction**

Nowadays , health tourism is one of the fastest growing type of tourism, & there are number of reasons of travel and tourists motivation in this area such as improvement in health of body & mind (weight loss programs, greater physical health and stress management), rest and relaxation, use of medical services & facilities (as surgical specialty) & use of climate and natural features of an area to relax body and mind.

The market of health tourism is introduced as one of lucrative and competitive industries in the world and is one of modern realms in advanced tourism. In national level, governments are interested in taking advantage of financial rewards stemmed from this industry. Increasing competition among different countries, in particular Asian developing countries has begun to attract health tourists [1].

Today, the relationship between economic growth and health development is bright well. In the new approaches it is not only the health sector that has been enjoying benefits of economic growth, but also it could bring many business advantages for countries and beside providing new financial resources for infrastructure and technology development, undertake important role in cross-section plans sustainable development. Health Tourism is an organized travel outside the usual realm of health care and is done to maintain and improve one's physical and mental health of the restoration [2]. Tourism industry in developing countries has turned into a productive and income-generating industry, and competing in attracting international tourists have resulted in making easier political relations between countries and adjusting process of travel and tourism. Foreign exchange or foreign money is a decent commodity that always developing economies in the world have competed with each other in an effort to generate more amounts. Tourism industry is recognized by a currency messenger operation. So tourism development is considered by governments willing to attract more currency sources to their countries (Ranjbarian and Zahedi, 2005). At present, with respect to the low cost and high income of this industry, many countries interested in tourism development, have focused their attention on this section of tourism industry and are planning in this regard (Kazemi, 2008). Iran has potential abilities in tourism industry development. But it is facing the challenges that could note the comprehensive sanctions.

## **2. Research Background**

*World Tourism Organization (WTO), in particular, defines health tourism as follows:*

Use of services which increase or improve the health or enhance mood of the person (mental/physical by using mineral waters, climate or medical intervention) in a place outside the residence of the person & lasts more than 24 hours or less in a year [3].

Health tourism world's slogan is about facilities and services at same level as those in the first world or advanced countries & prices and costs at same level as those in the third World or developing countries .

Fields of activities in the world health tourism , includes hot water treatment, weight management programs, cosmetic and plastic surgery, joint replacement surgery, coronary artery bypass surgery, organ transplants, ophthalmology (LASIK ) , dentistry and dental implants, rehabilitation and etc. [4].

The special position of Iran's geographical location, its history of medical science and existence of expert medical and paramedical workforce, low costs and high quality of its health services, all could increase the importance of medical tourism in economic and medical fields in this country [5]. Legal essentials such as achievement of the goals defined in the "Forth Development Planning" and "Vision Document" reveal another aspect of medical tourism necessity [3].

Now the country's reliance on oil revenue is more than 50 percent. Iran economy is based on oil revenue therefore exchange revenue earned by oil export constitute the main part of Iran economy & in the long run this might expose the country to some economic problems . Therefore, measures should be considered in this regard ; & opportunities for exchange revenues & economic prosperity should be identified in order to change the oil-based economy to non-oil based economy so that to be able to compete internationally & get active presence in all industries. Here is a program that can be used for manufacturing and exporting of goods and services which can be obtained for gaining exchange revenue. The tourism industry in all its branches is a perfect source of employment & exchange revenue. [6]

Sadrmomtaz and Agharahimi (2010) studied health tourism in Iran; they believe that the most important factors in developing the health tourism industry in order to develop a strategy for public infrastructure are as follows: human resources development strategy, strategy of development in information systems and marketing, and product development strategy. They suggest that for development of medical tourism, the government should take all factors into consideration and develop a comprehensive and coordinated program to develop its medical tourism industry [7].

Ghezelbash and Abdollahi (2013) in their research concluded that Iran free trade zones because many incentives of investing, is a safe place of economic sanctions for developing medical tourism and strategy of health tourism development is need of using investment opportunities and incentives of free trade zones in medical tourism development [8]. The result of Izadi et al (2012) showed that Iran has many strength points, including expert physicians, up-to-date medical technology and natural healing regions to attract health tourists; however, weaknesses and challenges such as poor coordination among the organizations responsible for medical tourism and inappropriate planning [9].

Haghighi and his colleagues (2005) prioritized the factors on development of health tourism in Iran .Based on the result of their research on the Business practitioners in the health tourism there are three factors for branding the development of health tourism in Iran which are prioritized as health area ,true coordination among the institutions related to the health tourism & intersectoral institution of investment [10].

*Nature therapy* is a branch of health tourism, that focuses on the region natural and climatic characteristics and this potential is also seen in Iran such as hot water springs in Alborz mountains range, sludge treatment in areas like Lake Orumieh and Taftan mountains range in Balochistan ,hospice summer such as kelardasht and Javaherdeh in Mazandaran, Deylaman in Gilan , Shandiz in Mashhad and Sardasht ,international hubs like hot water springs in Sarein due to its water quality and also natural geography & surrounding landscape &spa in Geno in Hormozgan province .Also hot water baths which usually by use of hot water springs provide services to tourists , are one of the special ways to attract targeted visitors in Iran such as *daily hot water bath* for providing specialized services in one day, *destination hot water bath* which besides hot water bath provides services like health food menu planning & programs and strategies to improve life and health , *hotel hot tubs* which provides hotel hot tub services & offers health plans & *warm bath therapy* which is founded by one or more physicians and specialists and their main goal is to provide convalescence & complete medical services in an environment comprising a hot water bath. In such an environment, both traditional and complementary therapies are offered. Loyal customers in Iran primarily include increased number of tourists from Persian Gulf countries in Iran in recent years & secondary include tourists from Europe, Japan and Korea due to the history of their presence in Iran .Also *special surgeries* are cosmetic procedures & special surgeries are attractive for many tourists around the world. The boom in cosmetic surgeries in Iran has increased the quality of these types of surgeries . Surgical hospitals in Shiraz, Qeshm, Kish and Tehran can host foreign tourists, especially from the countries of the Persian Gulf.

But also Iran is facing the challenges that could note the comprehensive sanctions. Review of world health tourism condition shows that many of regional countries are using their health abilities including high quality and low cost health services to overcome on foreign threats such as economic sanctions. The main challenges of health tourism in Iran are as follows;

#### **a. Economic**

Oil-dependent economy and no need for tourism income, reluctance of private sector to invest in tourism industry and low income margin are some of the factors that negatively influence Iran's tourism development [11]. Private section of medical industry has simply low activity in this section [9].

***b. Social***

Lack of public knowledge as for tourism and national tourism attractions, enough welfare, health, and medical facilities, legal problems (customs regulations, visa issuance) are among the social challenges ahead of tourism industry [12] & also an ineffective airline service in Iran is a great challenge ahead of Iran's tourism industry [13,14].

***c. Administrative and organizational***

Tourism programming was first started in Iran in 1962), however, after more than 40 years, Iran's tourism is not in acceptable position [15].

Lack of well-trained workforce in tourism industry, lack of knowledge among the staff of tourism institutes (hotel servants, tourism agency staff) are along with some of administrative and organizational problems of Iran's wellness tourism [16].

Service sector comprises 46% of Iran' GNP, still the sector suffers lack of supportive programs and health tourism constitutes a small portion of the market [17].

Mehrabi studied the challenges ahead of development of Iran's tourism industry and found a significant relation between administrative problems and development of the industry [18].

***d. Research and education***

In view of the fact that the industry is a newly emerged market in many developing countries, most of them suffer lack of expert work force and even training facilities are not fully developed yet [19]. Lack of permanent education for training technical, executive, and training staff, and lack of effective and efficient research system to recognize the strategic needs of the industry are of the main research and educational obstacles [20]. An international study also emphasized poor English language skills among the work force of Iran's hospitals [21].

***e. Welfare facilities and services***

1. Lack of welfare and accommodation services in the tourism industry.
2. Lack of supervision and controls on improvement, repair and maintenance.

Poor transportation system, lack of standard hotels and other services were mentioned in another study as infrastructural problems of Iran's tourism industry [22]. Furthermore, lack of treatment VISA makes it impossible for these tourists to use medical insurances.

#### ***f. Cultural and advertisement***

1. Attitudes, negative mental image and wrong perception regarding tourists;
2. Irrational and different methods in dealing with tourists;
3. Structural drawbacks in advertisement and public information; and
4. Failure to used proper methods in dealing with tourists; [23,24]

### **3: Methods**

#### ***3.1. Research Method***

This article is part of a qualitative study of descriptive, comparative and applied research in the field of health services.

#### ***3.2. Research Society***

According to a study by Jabbari et al (2013) to identify the beneficiaries in health tourism, health tourism stakeholders in province of Isfahan includes these group: Governor, Office of Cultural Heritage, Handicrafts and Tourism, University of Medical Sciences, medical & health care service providers, tourism service providers, export development bank, private sector investors , Chamber of Commerce, Industry, Mines and Agriculture. Therefore, these groups constitute the statistical community & a sample will be selected among them.

#### ***3.3. Statistical Sampling***

Most researchers don't have enough power and time to run the study on the whole society so they limit it to a small sample. In this study the snowball sampling method has been used. Snowball or chain or network sampling is frequently used in qualitative research. In this sampling, you choose participants then by their contribution depending on your desired features you will get to the next participants . Patton says, "by questioning number of people about those who you can talk about, the snowball will get bigger and bigger as far as you accumulate items which are rich in information ."In this study, 110 questionnaires were distributed which out of them 104 questionnaires were collected.

#### ***3.4. Measuring Tools***

In order to identify challenges and opportunities in health tourism , questionnaire was used. Questionnaire is filled by the considered sample and comments will be collected and analyzed. Due to the qualitative nature of the subject and in order to better exchange ideas and information , researcher will do face to face interviewing of respondents .

### **3.5. Methods of Data Collection**

In this research which includes descriptive, scientific, correlation, experimental ,etc , the researcher should study the literature and history of the problem and research subject & hence for the formulation of the research literature, researcher used library methods and scientific internet search engines and upon which the theoretical foundations of this study was prepared. Also in the field part of the research in order to develop and design measurement tools, the method of interviews with number of respondents will be used .

### **3.6. Stages of Research**

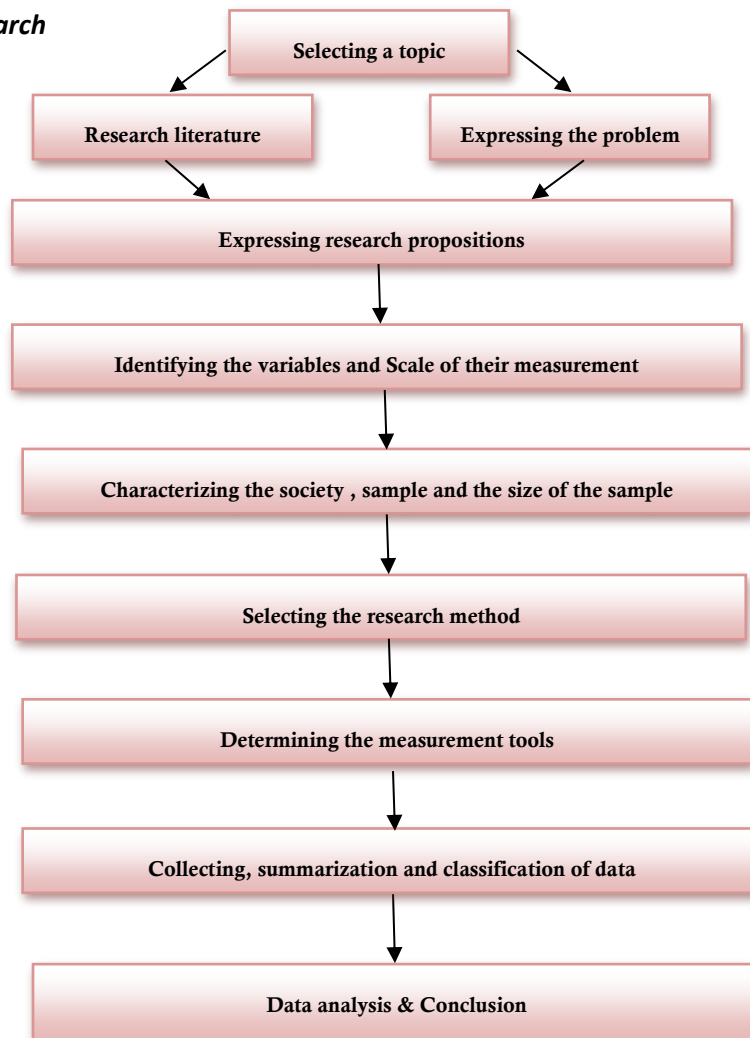


Diagram 1: The process of present study

### *3.7. Quality of data and Research tools*

To ensure the quality of data tools collection, It is important to examine them by two essential criterion that are validity and reliability.

#### ***of Questionnaire<sup>1</sup>a. Validity***

C.H Lawshe invented a useful method for assessing content validity . According to Lawshe theory, if more than half of the expert assessor or reviewers stated that those items or questions are beneficial & essential for assessing the structure which is subject matter of research, they at least have some content validity. Whatever the jury more agree on essentiality or profitability of a given item, the higher the level of the content validity. Lawshe invented a formula for assessing the content validity that is called proportion of the content validity . To determine the exterior validity of the present questionnaire , a designed questionnaire based on the integration of the subject literature and the assessment results by specialists were provided to 3 expert people and they were asked to comment on the validity of the questionnaire to confirm whether it is explicit & also examine whether this questionnaire measures the trait or subject matter of the study or not? All of the above stated that the survey is explicit and questions consider related data.

#### ***of Questionnaire<sup>2</sup>b. Reliability***

To assess the reliability of questionnaire in the present study ,internal consistency or Cronbach's alpha has been used. In principle, when calculating Cronbach's alpha , in fact, the correlation between each question score and the total score of each individual is obtained & the comparison between that question & variability of every single question is done . Cronbach's alpha coefficient is always between 0 and 1 & it is interpreted same as the correlation coefficient. Whatever more the Cronbach's alpha coefficient is closer to 1, indicates higher internal consistency, and vice versa, whatever more the Cronbach's alpha coefficient is closer to zero, indicates a lower internal consistency. Usually the acceptable alpha coefficient is at least 70% (Mirzaei, 1388).In this study 25 questionnaires collected out of the statistical society , and transferred to SPSS 20 software & then reliability of questionnaires was measured by using Cronbach's alpha coefficient .In this survey calculated Cronbach's alpha coefficient for the whole questionnaire is equal to 0.920 which is a very high coefficient and suggests that the reliability of the research tool is at an excellent level. As can be seen in table 3.1 , the obtained Cronbach's alpha coefficient is 92% for the whole questionnaire, which is a very high rate. So it can be concluded that in this this research ,the reliability of the measurement tool is very high.

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<sup>1</sup>–Validity

<sup>2</sup>– Reliability

Table 1 : Calculated reliability for whole questions in the survey questionnaire

Questionnaire items	The number of questionnaires	Cronbach's alpha coefficient	The number of items
Whole Questionnaire	<b>104</b>	<b>0.920</b>	119

### 3.8. Methods of data analysis

Illative method of each survey data analysis is selected on the basis of the structure of questions, hypothesis, the nature of data and objectives of the research study. Also in this research after collecting the whole research data, collected data transferred to the existing and related software , which was SPSS 20.

## 4 : Results

After Practical preparation of the questionnaire , the distribution and collection ,the relevant data were entered into the software for the analysis.

### 4.1. Goals and Stages in Studying SWOT in Analyzing the Factors Affecting Health Tourism in Iran

#### *A: Study of the internal factors affecting heath tourism in Iran*

This stage aims to assess the internal environment for identifying the strengths and weaknesses of tourism. Indeed, the important and effective aspects in achieving the strategic planning objectives of tourism and their technical implementation in Iran have been considered.

#### *B: Study of external factors affecting various sectors of health tourism in Iran*

This stage aims to study the impacts of external factors in health tourism in Iran and also to analyze and develop appropriate strategies through identifying opportunities and threats facing health tourists in this country.

Accordingly, necessary steps have been taken by providing a table consisting of these factors, and how they affect health tourism functioning, and analyzing them based on SWOT model.



According to the *SWOT analysis* and Likert evaluation scale (1=absolutely low, 2=low, 3=moderate, 4=high, 5= absolutely high) ,in most cases , the importance of items is close to 3 that shows respondents assessed the value on items as an average .

The rating of factors as described in the questionnaire are as follows:

\*Internal factors (strengths and weaknesses):

One is equal to Maximum strength

Two is equal to Relative strength

Three is equal to Relative weakness

Four is equal to Sever weakness

\*External factors (opportunities and threats):

One is equal to Maximum opportunity

Two is equal to Relative opportunity

Three is equal to Relative threat

Four is equal to Sever threat

It should be noted that all numbers have been rounded , for example, 2.65 to 3 , but 2.45 to 2 have been rounded.

According to the assessed data we list importance & rating of 10 cases out of the whole for both of internal factors (strengths and weaknesses) and external factors (opportunities and threats) .

Table 2: strengths and weaknesses of 10 cases

rating	degree of importance	strengths and weaknesses
1	2.7788	There are job opportunities, due to the presence of tourists, and many health centers in the country
8	2.7115	Natural and tourism attraction in Iran.
10	2.6442	Benefit from the infrastructure, and health fields, and areas prone to medical and human capital
7	2.7212	There is adequate space tourism, natural and cultural history, ranging from medical centers
4	2.7596	There are well-equipped hospitals, elsewhere in Iran
3	2.7692	Lack of government supporting of private sector to provide health for medical tourists.
6	2.7404	Limitations of human resources capabilities especially in IT and language skill.
5	2.7405	Lack of required coordination among responsible authorities in tourism issues and the shortage of a coherent management
2	2.7693	Lack of facilities and transportation infrastructures, hotels, hospitals hotels and private hospitals
9	2.6731	Lack of insurance rules consistent with international standards

Table 3: opportunities and threats of 10 cases

degree of importance		opportunities and threats rating
9	2.5096	Dealer's abuse of curative tourism markets
10	2.4808	Increasing the number of foreign tourists
6	2.5962	Enhancing services quality and tourism infrastructure
5	2.6442	Incentive travel, for the people
4	2.6827	Develop and equip the health center, recreation facilities
3	2.7019	Investment in infrastructure and superstructure, in order to service better service
1	3.0000	Increased attention from the government and the private sector, the medical tourism sector
8	2.5288	Optimum use of all attractions within the area of health sites
7	2.5481	Increased attention from the government and authorities to invest in medical tourism
2	2.7115	Reduce the incentive to travel to Iran for treatment among people

## 5: Discussion

### 5.1. Developing the Strategies Affecting Health Tourism in Iran

At this stage, four basic strategies (competitive, diverse, defensive and reviewing) are presented for Iran in order to plan and develop its strategies which are as follows:

#### *A: Competitive-Aggressive Strategies (SO) Effective in Iran Health Tourism*

- utilizing medical services with low prices to attract curative tourists from various countries

- Utilizing the experiences achieved in successful countries to attract patients with regard to new discoveries and abilities in Iran in the field of medicine
- presenting comprehensive plans to take advantage of Iran's strategic position in the field of health tourism
- Utilization and equipment of mineral water sources and therapeutic sources to do natural therapeutic tourism activities
- using young and professional workers in the field of health and curative tourism
- doing extensive and modern advertising in the field of health tourism potentials and various tourism attractions in Iran
- utilizing common religious, cultural and linguistic commonalities to attract health tourists from neighboring countries
- paying special attention to positive impacts of health tourism such as creating exchange and preventing from brain drain and getting out of single product
- Utilization of neighboring with the Persian Gulf and Central Asia states

*B: Contingency or Diversity Strategies (ST) of Iran Health Tourism*

- providing health packs with regard to current potentials and presenting special services along with these packs to attract tourists - synchronization of equipment and national health tourism services with international developments in order to compete with rival countries
- familiarizing the medical tourists in internal and external parts of the country with new achievements and methods in the area of treatment such as recombination drugs, stem cells and ophthalmology treatments in Iran
- hiring young skilled labor in the field of health tourism to prevent from brain drain

*C: Reviewing or Adaptive Strategies (WO) of Iran Health Tourism*

- coordinating the trustee authorities of national health tourism to take advantage of current potentials
- improving the facilities and transportation infrastructures, hotels, private hospitals and hospitals hotels in the country
- developing a comprehensive and coordinated system to develop health tourism in the country and raising the number of health tourists
- paying attention to the accomplishments resulted from health tourism while developing health tourism strategies such as getting rid of single product

*D: Defensive Strategies (WT) of Iran Health Tourism*

- developing comprehensive plans to expand health tourism and taking advantage of young labor force to prevent from brain drain
- Equipment of the hospitals and health tourism infrastructures for further development of health tourism

- supporting the private sector
- Performing check-up processes on arrival of foreign patients to prevent from infectious and contagious diseases.

## **6. Conclusions**

Iran has potential opportunities and capabilities for tourism development. However, is facing number of inhibitors and challenges that can cite the widespread sanctions of America and its allies including Security Council in hampering economic agreement developments. Boycotting Iranian banks and insurance institutions has made the entry and exit trends of foreign exchange and international services of travel insurance to have some problems, and on the other side negative propaganda of west versus Iran, has distorted mentality of tourists community to Iran .Applying different kinds of restrictions in investment importantly foreign direct investment has minimized the utilization opportunity of foreign exchange sources.

In this condition by looking at health tourism industry situation in developing countries and assessing medical tourism position in these regions, we can find out that these countries utilize their abilities including high quality and low costs of medical services along with health tourism development and has subjugated on foreign threats comprised of economic sanctions.

This flow by regional countries could be a strategy in overcoming on current sanction problems and beyond this a threat for Iran utilization of health tourism development; because now regional countries such as Lebanon, Bahrain, Saudi Arabia, UAE, Jordan, China, India and ... are considered as a strict opponents of Iran in health tourism specially medical tourism. In such condition utilizing a comprehensive strategy for health tourism development and introducing capabilities of country, require a meticulous and genius policy and plan of tourism management organizations of country. Based on last researches, local development rising from tourism activities requires expense of tourists and by providing more foreign investment in specific areas we could attract tourists. The strategy implies the necessity of utilization opportunities and investment incentives in medical tourism development. capacity of country in sciences such as stem cells, repairing SCIs, infertility, liver and kidney linkage, ophthalmology and radiology topics beside the appropriate cost of health care services and high success rate of specialized operating, apply high potent of Iran to develop medical tourism. Choosing suitable place for development is comprised of sustainable tourism development funds.

Medical tourism must be dealt with is a systematic way. Specialized committees must undertake tourism attraction and advertisement measures. Moreover, the trend of patients leaving the country for medical care must be stopped through investment in research and education fields and development of modern and traditional health services centers.

Programming to overcome each one of the mentioned problems is recommended for further development of tourism industry. Although the factors introduced in this work are mutually related and working on none of them in isolation may solve the problems of the tourism industry in Iran.

## **7. Suggestions**

Regarding the results obtained from the present study, the researchers suggest some strategies which can result in improving medical tourism in Iran:

Investigating and comparing strengths and weaknesses of issues of medical tourism in medical centers of Iran with medical centers of successful countries in this field such as India, Thailand, Malaysia, and Singapore and then analyzing the experiences of these centers for enhancing this industry in medical centers of Iran.

Creating websites related to medical tourism in international languages for the patients to access information, because most of medical tourists search their needs through the Internet.

Using modern and advanced facilities and equipment according to international standards.

Periodical training of professional human forces in the field of using and maintaining medical equipment optimally.

Applying mechanisms in line with preventing the migration of skilled doctors, because in recent years, many famous doctors of Iran emigrated abroad.

Providing the latest and best advanced treatment methods of the world.

Clarifying the costs of medical and tourism services in order to provide the possibility of its comparison with other countries for patients.

Supervising the prices and quality of medical and tourist services provided for patients.

Contracting internationally active insurance contracts regarding payment of medical and tourism facilities regarding the way of the payment of medical and tourist costs according to other countries through travel, traveler's checks, credit cards, wire transfers and money in today's world.

Providing national and international service training courses to improve the professional skills of scientific human forces in the world.

Hiring interpreters in international languages, especially English and Arabic in hospitals.

Utilizing expatriate Iranian physicians with expertise and experience in international boards high-level human resources professional and fluent in English having strong public relations.

Special and sub-special medical services such as organ transplantation, stem cells, infertility treatment, cosmetic, joint replacements, dental procedures and CAM and traditional services.

Integrating hospitals information system and enhancing it and amending methods for collecting, recording and reporting information to foreign patients.

Enhancing rapid access to networks and databases strong line of communication with the patient, physician, and implementation of technologies such as telemedicine remote, remote consultation, remote education.

medical tourism potentials of Shiraz through electronic and non-electronic advertising (Medical Tourism in International Trade, embassies, tourist guidebooks, specialized magazines, brochures and satellite networks).

Customer retention and market penetration, identification of target markets in the region with common cultural, religious, linguistic, geographical proximity.

Contracts with other countries, especially Islamic countries, referral partners and the countries of medical tourism.

Trying to recruit Iranians abroad for healthcare and tourism issues.

Giving facilities and concessions to patients and their relatives.

Using marketing consultants, contracting medical tourism companies or creating medical tourism companies, creating agencies in other countries, using hotel representative in Staff Board of Directors of hospitals.

Providing hotel-apartments in the hospital premises for accommodating patients and their relatives or for recovery period and providing facilities of transportation of patients and their relatives.

Providing facilities accordance with the national and cultural facilities an interpreter for the comfort of patients and their relatives and communications.

Organizing tours before and after treatment according to patients' condition.

Building a health city in a good climate zones of Shiraz or near it.

Providing comprehensive medical tourism plan.

Creating an independent and active unit in the field of medical tourism in hospitals. Investigating and studying advances of successful hospitals of other countries in this filed and using their experiences.

Tax and customs rebates for entering medical equipment standard.

Offering facilities for convenient entry of foreigners such as medical visa for medical tourists from other countries and elimination of visa problems.

The possibility of the extension medical visa in order that the patients do not have to return to their countries before completing their process of treatments.

It is necessary for Ministry of Health and Medical Education to perform standards of hospital services in the world level and provide conditions for receiving international credits such as receiving a confirmation from JCI.

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## ANTI-ECONOMY AS A TOURISM BUSINESS STRATEGY

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### **Abstract**

The rational operations management considers as given the alignment of the operational components and the reduction of the operational cost, in favor of maximizing the profits and improving the operational outcome of either profit or loss.

In the tourism market though, there are enterprises that aim to maximize the customer's gain, regardless the increase of cost. This strategy may seem non profitable, however can lead to increased profits

**Keywords:** Economy, anti-economy, increased product, emotions

### **Enterprenual motives**

The most important enterprenual motives are (Brockhouse 1982):

- Profit
- Independence
- Social status
- Achievements

From the above referred motives, profit making is the most important, since it guarantees the corporate sustainability and provides the enterprise with the ability to fulfill the rest of the motives.

Profit making is connected to the human natural tendency that is called economy. Economy referees to the maximization of the profit, with the minimum of cost.

That economic gain is the enterprenual target of nowadays companies, which seek the maximum of profit with the minimum of cost. Most of the enterprises attempt to reduce cost, while reducing their services and their product quality to the point that there is no serious customer loss. At the same time, several pricing policies (like revenue management), determine the higher affordable price, leading to maximization of the income.

### **The emotions as behavior motives**

According to Maisonneu (Maisonneu J. 1964 p. 117), emotion is one's psychic mood, which derives from past experiences, categorizing the emotions in positive and negative.

The emotions are spontaneous and they are subjected to one's inner psychic state. The emotions are affected by one's thought, will, physical needs and social state, though they are autonomous.

As Goleman (Daniel Goleman 1999 p. 32-33) indicates, the emotions are exhortations to action. "Emotions" as a word is British, and comes from the Latin verb "motere" which means "move", which indicates the galvanizing character of the emotion. That can be obvious if we monitor children or animals' behavior, who act as soon as they feel an emotion. On the other hand, human adults demonstrate an anomaly of neglecting their emotions, diminishing their motivating role

Further on Goleman indicates that the emotions lead persons to take some difficult decisions, while they complete some gaps in the human logical procedures. Feeling and thinking are equally important for human beings.

Goleman, divides the brain, in two different modes. The thinking brain, and the feeling brain. Under normal circumstances, the thinking brain and the feeling brain, possess a given percentage of control over human actions. In cases when human emotions are stronger and more intense, this percentage of control changes with the feeling brain taking the upper hand in the action control. Those different brain modes tend to cooperate naturally. The feeling brain fuels and defines the thinking brain's functions and operation. On the other hand the thinking brain improves the feeling brain and sometimes calms the exaggeration of the emotional effect.

The above analysis demonstrates how can positive emotions be a strong behavioral motive and lead to enterprenual decisions.

Dalai Lama (Dalai Lama, 2009), claims that humans are happier when offering than when receiving. This claim can provide a different perspective to the enterprenual motives. Under this view, the entrepreneur tries to offer the highest quality and quantity product that he can, while not paying the equivalent attention to the income and profits.

### **The augmented product**

Each customer develops some expectations regarding the profit that will be gained via the purchase and consumption of a selected product. In marketing terms, this particular product is known as the “expected product”. The expected product contains meanings like expected yield and expected quality (Kotler, Philip 2000).

According to Drucker (Drucker Peter, 1954), quality is the consumer’s perception, that the service one receives satisfies his/hers needs according to one’s standards and the price paid for that service.

Quality in the tourism sector is highly dependent on the customer’s personality, the consumer’s prepossession and disposition against the selected service and/or product, the reason for travelling and the product price.

In the enterprenual field, the offered product often is characterized by subjectivity. Thus, the product itself may prove to overwhelm the expected product. This is the situation when the augmented product arises. The augmented product, contains some services or items beyond expectation, which are not charged additionally and they can improve the overall consuming experience.

The augmented product is expected to generate the increase of cost at several operational levels. This is the main reason why most of the enterprises, attempt to offer a relatively low cost range of items and services in order to transform the expected product, into augmented product.

The augmented product can increase the quality of the total product that is offered, which will result in:

- Increasing the customer loyalty
- Advertising via the word of mouth method
- Increasing internet sales, as an outcome of the company’s improved reputation

Contrary to the augmented products potential benefits, the lack of quality can lead to unsatisfied customers and further on major reduction of the product’s demand.

### **Anti – economic enterprises of high financial performance**

In tourism business there are enterprises that operate contrary to the laws of economy, being very efficient in achieving their enterprenual goals. Those enterprises tend to offer an augmented product, not cost efficient at all, and not aiming to claim higher revenue through this procedure. In such enterprises, when services are the key part of the product, the fundamental rules of economics are reversed. The entrepreneur is not obliged to reduce cost and raise the total income in order to obtain the desired profit.

#### **Case study No 1.**

Nick, is the owner of a small camping in the region of Akrata, north Peloponnese. Nick is not obsessed with personal welfare and obtaining riches. His primary interests are the benefits that his guests can enjoy through the consumption of the product that he has to offer in his camping. Based on his enterprenual perception, Nick organizes thematic night events with good wine and regional food without charging anything extra for those

experiences. Nick also hires minibuses and organizes some excursions to nearby areas of interest. He also takes his guests to Greek live music nightclubs. All those additions are the supplementary parts that create the augmented product (P. Kotler, 2000) to a relishing point. In any given way, Nick is trying to satisfy his guests with his main motive being the way he conceives reality rather than profit.

A number of Nick's guests do not accept those offers and they only consume the core product that is expected to be offered. Some others gladly accept Nick's offers and they do not return for their vacation to the specific camping in the future. Most of the guests though, tend to appreciate Nick's behavior and they try to return the positive manners. Those guests are keen on leaving good tips and giving presents to the owner and the staff. The most important is that while time passes, these guests can provide 100% occupancy for the whole season.

The outcome is that after a series of years with that behavior from Nick, the enterprise has developed a very loyal clientele which allows the camping to operate in a full capacity all season round. The guests can demonstrate friendly relations to the owner. The fact that the camping is full and the guests are eager to return the positive behavior, leads to increased revenue to the highest potential. The cost is increased, though the revenue leaves a satisfying profit.

#### Case study No 2.

An enterprise like Nick's has been developed in Karpathos Island. It is a tavern, which due to its positioning serves solely tourists. The tavern is situated by the sea, in a large estate where vegetables are cultivated to serve the tavern's needs for ingredients. The tavern owner provides the ability of free camping in his estate, as well as he encourages the campers and the visitors to take any vegetables they wish along with them.

That behavior develops friendly relations among the tourists and the owner. That attitude has made the enterprise popular, increased its reputation and resulted in a vast number of very loyal guests who turn this tavern into a very profitable enterprise.

#### **The meaning of anti-economy**

Through the above referred cases, it is obvious that there is a contradistinction in the behavior of the guests and the entrepreneur.

##### **A. Normal economic behavior**

- The enterprise demands the higher gain with the lower offer
- The guests demand the higher offer with the lower pay

##### **B. Anti-economic behavior**

- The enterprise provides the highest offer for the least gain
- The guests offer the higher pay without demanding the higher offer

The second case refers to an augmented product that is generated by the entrepreneur's emotional motives. The entrepreneur is emotionally satisfied with the exaggerated offers to his guests. The entrepreneur's behavior leads a part of the clientele to an equivalent behavior. This specific part of the clientele, feel the same emotions as the entrepreneur, which finally lead to the guests' initiative of increasing the entrepreneur's reward.

Taking under consideration the rarity of such behaviors in the modern society when the gain of riches is a fundamental principal, there are strong friendly relations developed among the guests and the entrepreneurs.

It is this relation that leads the enterprise to an instant increase of the revenue and reassurance of a loyal clientele high demand. Those entrepreneurial achievements are secondary to the entrepreneur's increased satisfaction from his labor.

Starting from the social dimension of the enterprises, companies exist as long as they serve the society, fulfilling its needs. Under that prism, the fact that a company that serves the society in which it belongs to a greater extent compared to the competition can generate major profits, can be an acceptable theorem.

The enterprise that has developed relations with its customers can offer:

A sense of security for the guests in a foreign country, due to the friendly relations with the entrepreneur.

The maximization of positive emotions during the vacation, due to the experience that the augmented product has offered.

## **Conclusion**

The above referred cases can drive to the conclusion that an enterprise can prove an anti-economic strategy effective and sustainable under the following circumstances:

- The supplementary product has to be of major importance.
- Fundamental entrepreneurial motive should be the good human relations and not the profit.
- The relations between the entrepreneur and the customer must be sincere, unselfish and honest.
- The product that is offered must be personalized. The provider should be the entrepreneur or a selected employee.
- The entrepreneur can take part in the consumption of the supplementary product.
- Developing strong relations with the customers is a process that takes time.
- Offering the supplementary product to an extreme level is not appreciated by the whole of the clientele, only by a part of it.

Anti-economy as a corporate developing strategy can be sustainable and efficient, to the extent that this strategy can affect the clientele to behave anti-economical as well.



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## **ABSTRACT**

The paper aims at studying the linguostylistic and cultural peculiarities of tourism advertisements representing Armenia on social and commercial tourism websites.

On the one hand the texts on tourism sites provide information about different destinations, often complemented by pictures and videos, on the other their main function is persuasion. Our focus is on what linguistic and visual means are used to persuade the customers to buy country brands, and how countries, as culturally marked places, are introduced as brands.

The development of e-tourism is also considered within the framework. It is studied whether the dialogue with the tourism industry changes the attitude of tourists towards the commercials, i.e. the potential tourists; trust in the information provided in the advertisements.

The methodologies of our research are linguostylistic method of analysis and multimodal discourse analysis that help to reveal text, image and video interaction in tourism discourse and the specific linguistic and stylistic means through which the discourse realizes its communicative aims.

The overall conclusion is that textual and visual texts on social tourism sites created by the authentic tourists telling about their real experiences strengthen the impact function and the persuasiveness of the discourse and thus compete with the advertisements on commercial sites vitally changing the potential tourists' attitudes.

## **INTRODUCTION**

The process of learning about the country begins before the intended travel. The acquisition of knowledge about tourist destinations may be realized through different sources— friends, family, social media, official tourism websites, TV programs about the destination and so on.

Countries are transformed into brands to be advertised and to be purchased. The country brands are greatly connected with the culture and history of the countries and, therefore, with their national identity. Hence, branding a country is a more complicated process than branding a product, given the fact that it should be realised according to various perspectives. First and foremost, countries want to sell their country brands to develop their economy; in this respect, the task is more difficult for small, developing countries like Armenia(is) when compared to such countries as France, Italy, the UK and the US are. The country brands are connected with the reputation of the country, stereotypes about this or that nation and are often designed by professionals to change the stereotypical perception of a certain nation or country via advertisements both linguistically and extralinguistically. With the spread of social sites and special tourism social sites such as *tripadvisor*, *virtualtourist* or *lonelyplanet* the customers may not only book hotels or flights but also may join in forums or write reviews, thus shaping country brands. 'Conversations, whether a review on tripadvisor, a picture on flickr or an interaction on twitter, drive the informal exchange of thoughts, opinions and feelings between customers who are increasingly listening to each other. Those

conversations ultimately shape your brand and, at its most extreme, your brand becomes its reputation online defined through the conversations customers are having about their real brand experiences' (Munro and Richards, 2011). Fotis et al. write that their study showed that social media are used during all stages of the holiday planning process (before, during and after holidays) and that information from other travellers on various sites is trusted more than that of official tourism websites and travel agents. The information gained from other travellers has changed the tourists' plans concerning their future destination or hotel to different extent (2012). Therefore, not only advertisements may persuade the potential tourists to make decisions about their travel but also user-generated content on social sites.

To understand how the commercial and social tourism sites persuade the potential tourists to make choices is possible by discourse analysis. Dann claims that 'Via static and moving pictures, written texts and audio-visual offerings, the language of tourism attempts to persuade, lure, woo and seduce millions of human beings, and, in so doing, convert them from potential into actual clients – thus, since much of this rhetoric is both logically and temporally prior to any travel or sightseeing, one can legitimately argue that tourism is grounded in discourse' (1996). According to Fairclough (1995) 'discourse' is use of language seen as a form of social practice, and discourse analysis is analysis of how texts work within sociocultural practice. Such analysis requires attention to textual form, structure and organization at all levels. The distinction between what is explicit and what is implicit in a text is of considerable importance in sociocultural analysis. Fairclough claims that one cannot properly analyse content without simultaneously analysing form, because contents are always necessarily realized in forms, and different contents entail different forms and vice versa'.

The paper claims to study what linguostylistic tools and photos that complement the advertisements and the reviews are used in tourism discourse to persuade the customer to buy the country brand through the realization of the function of impact.

## ADVERTISING THE COUNTRY BRAND ARMENIA

The first advertisement on Armenia to be analysed is from tripadvisor. It is the ad of the site and not a part of a review written by a tourist.

***Long fought over*** by warring empires, the city of Yerevan ***survived centuries of foreign occupation, finally becoming independent*** with the fall of the Soviet Union. This capital city, a center of Armenian culture, has ***celebrated its freedom with a flurry of construction and a growing population. Despite this push forward, history survives*** in Yerevan - The Institute of Ancient Manuscripts houses books dating back to the 9th century, and the ruins of the Erebuni Fortress, built in 782 BC, still stand.  
(/http://www.tripadvisor.com/Tourism-g293932-Yerevan-Vacations.html/)

This advertisement realizes both intellectual (informative) and impact functions. The stratification of functional styles is based on the system suggested by the Russian linguist V. Vinogradov. According to him speech realizes three functions – communicative function, intellectual (informative) function and the function of impact (aesthetic function) (Vinogradov, 1963). Considering the passage given above in the light of the theory of speech functions it should be said that firstly, it is a short introduction to the history of Yerevan (informative function), secondly, some word-combinations and collocations serve to interest and persuade the future tourist to buy the country brand which is the ad's main function, and stylistically it realizes its impact function. Surprisingly, the advertisement is not

rich in adjectives intrinsically charged with positive connotation that is peculiar to the language of advertisements. The adjectives found in the ad are the following: *long*, *foreign* which have acquired a connotative meaning in the context whereas the attributes *capital*, *Armenian*, *growing*, *ancient* are neutral. The persuasive function is carried out through the syntagmas which have connotative meaning and are stylistically marked. In the example under consideration the following word-combinations have been detected as connotative and thus tend to be persuasive:

1) *Long fought over by warring empires...* the phrasal verb *fight over* has acquired connotative overtones due to the adjective *long*, which in this context has acquired certain adherent connotative, emotional-evaluative overtone. The combination *long fought over* changes the informative influence of the phrasal verb and connotatively refers to the dramatic and lasting history of Yerevan and Armenia. The sentence continues in the following way:

2) *...the city of Yerevan survived centuries of foreign occupation* –Yerevan is the main constituent of personification and metaphorically is transformed into a hero that survived centuries of foreign occupation, the adjective *foreign* has a negative connotative meaning used with the noun *occupation* which has a denotative negative meaning if used separately. Two other examples of personification are found in the advertisement. They are the following:

3) *This capital city, a center of Armenian culture, has celebrated its freedom with a flurry of construction and growing population.* Yerevan is considered to be a hero that celebrates freedom.

4) The third example of personification is found in the last sentence *...history survives in Yerevan.*

The first visual text (see Figure 1) is the map of Armenia beneath which 13.652 reviews and opinions are written followed by small photo icons: on the left side is an icon on which it is written '2.394 candid traveller photos' that is followed by three other photos: two of them present the Republic Square of Yerevan, one of them shows khachkars (crosstones) and on the last one is written 'Traveller's Choice: Tripadvisor'. This clickable icon takes the reader to the page entitled '10 destinations on the rise – Asia', on the 9<sup>th</sup> place is Yerevan, Armenia.

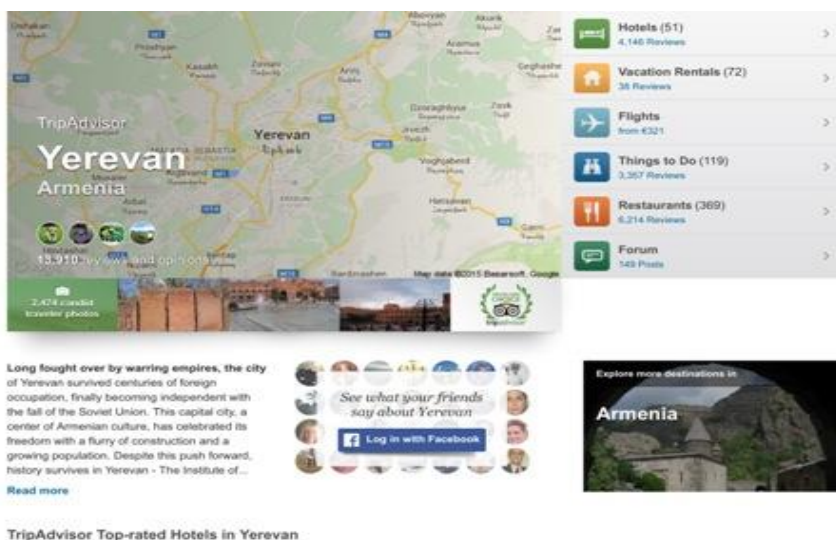


Figure 1: Trip Advisor – Yerevan, Armenia (<http://www.tripadvisor.com/Tourism-g293932-Yerevan-Vacations.html/>)

The potential tourists have the possibility to log on with Facebook and to find out what their friends say about the destination. All the icons are clickable, they take the potential tourist to the whole photogallery enabling them to see the photos with captions and small avatar of the site member and his/her nickname. The potential tourist has the opportunity to read the reviews written by tourists and ask them questions about the destination. Most photos are authentic and not photoshopped. They illustrate many aspects of the Armenian culture: places of interest, museums, galleries, concert halls, souvenirs, local people, cars, restaurants, clubs, pubs, food, national dress, thus shaping the country's brand.

The next advertisement representing Armenia is from Lonely Planet:

### **Introducing Armenia**

*Although Armenians carry a lot of psychological baggage from a traumatic 20th century, you'd hardly notice it from a quick tour around the country. The rapidly modernising capital, the boutique tourism industry and the warm welcome you'll receive everywhere seem to belie the country's reputation for tragedy. Rather than letting past woes weigh it down, Armenia (ՀԱՅԱՍՏԱՆ) has built its memorials, dusted itself off and moved on. For travelers, easily visited highlights include ancient monasteries, candlelit churches and high-walled forts – but lasting impressions lie more with the Armenians themselves. You'll easily find friends among these gracious, humble and easy-going people, even without a common language. The travel experience is wide-ranging – you can have a four-star holiday in Yerevan and Sevan or a much simpler experience in rural towns like Dilijan and Goris. Many travelers only spend a week or less as they shuttle around the region but those with more time get to experience the best spots in crowd-free bliss. (<http://www.lonelyplanet.com/armenia#ixzz3agld1m8b/>)*

Beneath the advertisement are placed two clickable photo ads (see Figure 2): 1) Top things to do in Armenia – photo of Geghard medieval monastery, which is one of a kind, most of it is cut into the rock and it is listed as a UNESCO World Heritage Site 2) Best places to stay in Armenia – photo of a hotel pool – contrasting the ancientness of the country with its modernization.

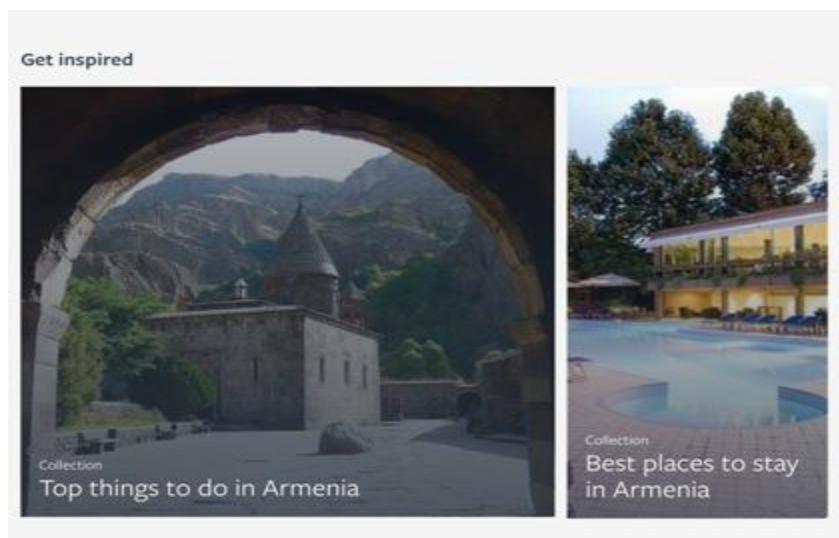


Figure 2: Lonely Planet (<http://www.lonelyplanet.com/armenia#ixzz3agld1m8b/>)

As evident from contracted usages of auxiliaries (you'd, you'll x2) the advertisement addresses the consumer informally. The abstract is rich in epithets which add to the emotional evaluation of the country-brand.

The adjectives found in the advertisement are the following: *psychological, traumatic, quick, modernising, boutique, warm, past, ancient, candlelit, high-walled, lasting, gracious, humble, easy-going, common, wide ranging, four-star, simpler, rural, crowd-free*.

The following collocations are obviously connotative: *psychological baggage* is an example of deformation of an idiom. The original idiom is *emotional baggage*, hence the collocation has acquired an adherent connotative meaning referring to the historical memory of the Armenians related to their traumatic past – the Genocide (1914-1915) and the Sumgait pogrom (1988). The author figuratively calls the 20<sup>th</sup> century *traumatic (traumatic 20th century)*.

*Rather than letting past woes weigh it down, Armenia (ՀԱՅԱՍՏԱՆ) has built its memorials, dusted itself off and moved on* is a good example of another personification. The *crowd-free bliss* (meaning *quiet bliss*) is a collocation used figuratively.

The next advertisement is from Tourism Armenia. The first things that strikes the customer's attention are interchangeable pictures representing Armenia through symbols: the Biblical Mount Ararat (historically on the territory of Western Armenia, in present-day Turkey), an eagle flying in the sky, rocks, red, ripe redcurrants, architectural carvings, ruins of Zvartnots Cathedral, Lake Sevan. Below the pictures a verbal advertisement is presented:

### **Welcome to Armenia**

*When you visit Armenia, take the occasion to stop and listen attentively to your inner rhythm. Attune it to the rhythm of the life pulsing through "the country of a found and a lost Eden". Set your pace to its pace - stroll through the bustling avenues of major cities, walk along the quaint streets of provincial towns. Relax on the sun-warmed steps of a hilltop chapel. Enjoy a leisurely conversation in a mountain hamlet - let the flow of the life of the country embrace you. Sharpen your senses and feel Armenia (<http://www.tourismarmenia.org/#ixzz3aquxUyP>).*

The verbs are expressed in the imperative mood though there are no exclamation marks at the end of the statements. The advertisement is written as an instruction - advice for the tourist. The stylistic devices used in the example are the following: personification, allusion and repetition.

- 1) *let the flow of the life of the country embrace you* – personification,
- 2) *the country of a found and a lost Eden* – an allusion traced in reference with biblical Eden,
- 3) *Set your pace to its pace* – an example of repetition to strengthen the function of impact,
- 4) *Sharpen your senses and feel Armenia* – metaphor.

Taking into consideration the analyses of the above ads it can be inferred that the advertisements are written in a literary style, they are linguistically well-designed, rich in metaphors and exaggerations, lack first person narration and often are manifested in the imperative mood. The modern tourist, I believe, needs a more interactive and personified information. Nowadays, the potential tourist is able to find reviews they can comment on or make enquiries regarding the information provided, rank the usefulness of the review, and thus be in a dialogue (between the tourists and the industry) with the industry (Dann, 2012).

Capelli (2013) claims that 'travel reviews are more similar to personal writing without an explicit promotional intent...', 'It's only very recently that the first linguistic analyses of reviews, and more specifically travel reviews, have started to appear'. Hence, the comparison of the advertisements with the reviews will contribute to the overall linguistic study of tourism discourse.

The example brought below is a review about Yerevan written by a tourist from *Virtual Tourist*. The nickname of the reviewer is *Horscheck* and his avatar, the date of his last visit to the destination and the date of the last update of the review are also available. These details make the review more reliable psychologically and thus, persuade the potential tourist to take up the tour (see Figure 3).

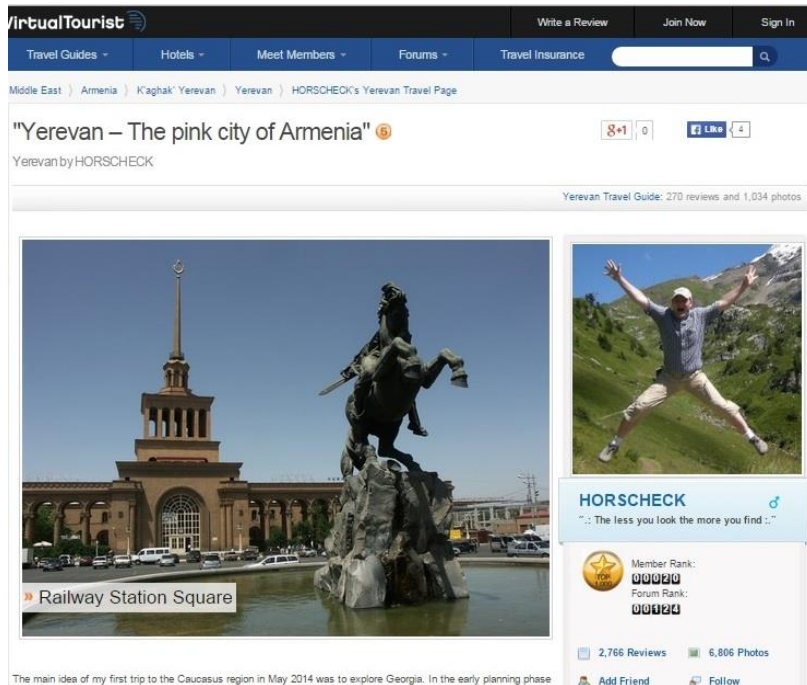


Figure 3: Virtual Tourist (<http://members.virtualtourist.com/m/3a000/1a163f/>)

#### "YEREVAN – THE PINK CITY OF ARMENIA" YEREVAN BY HORSHECK

*The main idea of my first trip to the Caucasus region in May 2014 was to explore Georgia. In the early planning phase I realised that neighbouring Armenia can be visited visa-free as well, so I thought about taking a detour to this country. After I had read some travel tips about Armenia I eventually ended up spending 8 days in Yerevan. From there I explored large parts of the country on day trips. The Armenian capital is often referred to as "pink city". This is derived from the colour of a volcanic tuff stone, which is used for many buildings in the city. Yerevan has just over 1 million inhabitants and to my surprise it is located at an altitude of around 1000 metres. On clear days the famous Mount Ararat (5137 m), where Noah's ark is said to have come to a rest, can easily be seen from Yerevan. I especially liked the multitude of Soviet style buildings. Many of these can be found at the Republic Square, but my personal favourite was definitely the Railway Station, which was built in Stalinist wedding cake style in 1956.*



Other well worth seeing sights include the large Saint Gregory the Illuminator Cathedral, the Persian Blue Mosque, the Opera Theatre, the Mother Armenia Statue and the Karen Demirchyan Complex. Apart from these, the Cascade is a must-visit in the city. It is a giant stairway from whose top panoramic views of Yerevan with the Mount Ararat in the background can be enjoyed.

Among the highlights in the city was also my stay in the Downtown Hostel, where apart from the friendly staff I also met many travellers from several countries like Singapore, America, Iran, the Netherlands, Poland and quite a few more.

Last but not least, Yerevan is the perfect location for both organised and independent day trips to other parts of Armenia. I took part in two organised tours with different companies, one through southern and one through northern Armenia. Besides I went to Armenia's first capital Ejmiatsin by public transport and explored the town by myself.

**"Even if one believes that there is nothing to expect, we always expect something or someone."**

--- Charles Aznavour ---

### **Pros and Cons**

- **Pros:** Soviet style architecture, tasty food, friendly people.
- **Cons:** Letterboxes are not really emptied.
- **In a nutshell:** Yerevan – The pink city of Armenia.

Last visit to Yerevan: Jun 2014 Intro Updated May 1, 2015 (<http://members.virtualtourist.com/m/3a000/1a163f/>)

The review is written in the form of a first person narration, the tense of the narration is past simple, it is written post-trip in the style of narration. The author expresses his emotions and feelings through the following phrases and positive evaluative expressions: *I especially liked; my personal favourite was, other well worth seeing sights include; the Cascade is a must-visit, can be enjoyed, to my surprise, famous, tasty, friendly, perfect.*

The expression *Noah's ark is said to have come to a rest* referring to the Bible and the quotation by Aznavour *Even if one believes that there is nothing to expect, we always expect something or someone* that is used to emphasise and prove that the destination is worth visiting are good examples that persuade the future tourists to make the tour. Importantly, the reviewers may also write the disadvantages of the destination alongside with the advantages mentioned.

Below the review the replies of other members of the site *Virtual Tourist* are given. The potential tourists reply to the review using informal language, addressing the reviewer by his real name, their own avatars and nicknames are also available together with date and time when the reply was written.

Below follow the replies to the review "Yerevan – The pink city of Armenia" Yerevan by HORSHECK.

1. *Nemorino Yesterday*  
*Me again, coming back for another look at this updated page.*  
*When I first came to Germany I heard lots of jokes about "Radio Yerevan", but these have gone out of fashion since about 1990.*
2. *magor65 Mar 7, 2015 at 9:40 AM*  
*Very interesting and useful tips about Armenia. I'd love to go there.*
3. *starship Jan 11, 2015 at 11:42 AM*



*Holger, your excellent introduction page was very interesting! Enjoyed all your tips and photos which I thought made Armenia a very appealing destination! Great work!*

4. *Regina1965 Jan 9, 2015 at 6:52 AM*  
*A very good page. I would love to visit Armenia one day.*
5. *Kuznetsov\_Sergey Dec 29, 2014 at 11:04 AM*  
*A very exciting trip to Yerevan, Holger! I've never been to Armenia and looking forward to go there someday. It becomes more actual now when the trip to Europe will be too expensive for Russians after the rouble falling down.*
6. *hunterV Nov 28, 2014 at 1:23 AM*  
*Hello, Holger! Thanks for your comprehensive page and travel advice!*
7. *yummy Nov 3, 2014 at 8:05 AM*  
*Excellent page on Yerevan! It certainly changed a lot since I've been there in 1984 during Soviet times. I remember the market hall with its colourful produce on offer which now obviously houses a supermarket. Should look at my slides again some day*
8. *wabat Oct 31, 2014 at 7:44 PM*  
*Holger - got through half this great page and look forward to returning to read your things to do section soon.*
9. *xaver Oct 31, 2014 at 2:08 PM*  
*some really great tips here. The idea of a combined trip Georgia Armenia is on my mind for a too long time....*
10. *IreneMcKay Oct 25, 2014 at 5:09 AM*  
*This looks like a fantastic city. Exactly the sort of place I really, really like. Another one on my to do list. Great page. Irene*
11. *german\_eagle Oct 23, 2014 at 4:02 AM*  
*Another excellent page, Holger. I enjoyed reading your tips and watching the pictures - the number of sights from the Soviet era is amazing. Cannot say I'm the biggest fan of that kind of architecture, but it's interesting. I'm wondering if you were able to go inside the churches or if photography was just not allowed there.*
12. *MalenaN Oct 21, 2014 at 10:46 AM*  
*Enjoyed reading your tips Holger! They brought back many nice memories from my two visits to Armenia.*
13. *Nemorino Oct 19, 2014 at 3:36 PM*  
*Holger, I like your new page on Yerevan. The Downtown Hostel sounds really nice. Do you know if they actually perform operas at the Opera Theatre?*
14. *globetrott Oct 19, 2014 at 1:27 PM*

an interesting page about a special Location ! Great to see these great vintage cars with the "special charmes" of the CCCP ! ;-)

15. toonsarah Oct 19, 2014 at 7:54 AM

Great new page Holger! This looks a fascinating city to visit and I also very much enjoyed your accounts of the day trips you did and the photos of all those beautiful monasteries. Great restaurant and transport tips too!

16. Gili\_S Oct 17, 2014 at 11:12 PM

What a lovely page, looks like a full guide for this place and you had excellent weather. PS: Very danger postal service here, so everyone should be aware of that ;)

17. BillNJ Oct 13, 2014 at 4:27 AM

Very interesting. You're really getting off the beaten path with some of your latest trips!

18. Chinggis\_n\_Borte Oct 12, 2014 at 1:39 PM

Excellent information, beautiful pics. A really great page with great useful tips, and great photos.

19. Chinggis\_n\_Borte Oct 10, 2014 at 7:24 PM

I will come back for a look when you have had a chance to finish it. Looking forward to it!!

(<http://members.virtualtourist.com/m/3a000/1a163f/>)

The replies contain some grammatical mistakes as the repliers are not native speakers, and their reviews are written in a colloquial language rich in contractions, emoticons, exclamatory sentences to convey the potential tourists emotions and feelings. The interrogative sentences available accomplish the communicative function.

I have compiled the list of attributive collocations used in the replies that have inherent positive meaning. These adjectives evaluate the review together with the destination making it more trustworthy and the destination appealing. Using the Theory of Appraisal (Martin and White, 2005) as basis it can be stated that the repliers appreciate the review they have read; such appreciation according to Martin and White is divided into three types – reaction (Impact: did it catch their attention? Quality: did it please them?), composition and value. Martin and White (2005) interpret the appreciation framework metafunctionally referring to systemic functional linguistics (Halliday, 2014) as reaction oriented to interpersonal significance, composition to textual organisation and valuation to ideational worth.

Below is the list of evaluative collocations picked up from the review: *updated page, very interesting and useful tips, excellent introduction, a very appealing destination, great work, a very good page, a very exciting trip, comprehensive page, excellent page, colourful produce on offer, great page, really great tips, an interesting page, nice memories, great vintage cars, special charmes of the USSR, great new page, fascinating city, beautiful monastaries, great restaurant and transport tips, a lovely page, a full guide for this place, excellent weather, very dangerous postal service, excellent information, beautiful pics, great useful tips, great photos.*

The list of utterances from the replies that express intention of the repliers is supplied to meet the subject-matter of my presentation, i.e. the persuasion. They are – *I'd love to go there; I would love to visit Armenia one day; ...looking forward to going there someday; Should look at my slides again some day; look forward to returning to read your things to do section again; the idea of combined trip Georgia Armenia is on my mind for too long time; another one on my to do list; this looks a fascinating city to visit; I will come back for a look when... .*

The list of the attributive collocations and different utterances expressing intention compiled from the replies show that the potential tourists trust the reviewers' narratives and intend to visit the places captured and described. The frequently used exclamatory sentences express the emotional attitude of the potential tourists towards the reviewer, the review and the destination. The language of the reviews is on the one hand a "language of testimony" as the tourists reveal what lies beyond the travel magazines and on the other they contribute to "language of promotion" (Capelli, 2006). Hence, it can be concluded that **the** yet different from the advertisements, the reviews and replies promote and rebrand tourist destinations.

## CONCLUSION

The overall conclusions of the article are the following:

The tourism advertisements, reviews and replies are rich in adjectives, metaphors and collocations with adherent connotative meaning, they realize the impact function.

The photos found on travel sites present Armenia's historically and culturally marked sights and the national lore to contribute to the country's identity paradigm and persuade the potential tourists by visual images.

The potential tourists' reviews and replies play a vital role in the creation of the country brand and in the promotion of tourist destinations.

The repliers evaluate not only the reviews and photos about the destination but also the destination itself. The language of the reviews is highly emotional, abundant in phrases of desire and intention to rely on the reviews and photos provided by an ordinary person who simply expresses and shares his/her impressions.

The reviews are written in the past tense and in the style of narrative in contrast to advertisements.

Based on the examples analyzed, it can be stated that the impact and the communicative functions are rather more successfully conveyed by the user-generated content posted on-trip or post-trip than by the commercials, and the former vitally influence on the choice that the potential tourists make pre-trip. Psychologically the reviews written by the tourists that have sender identification are more trustworthy than the ads that lack sender identification and the dialogue component peculiar to the social media. Therefore, it can be inferred that user-generated content can also be regarded as a form of destination branding and advertising as it corresponds to the advertising function AIDA (capture attention, maintain interest, create desire, get action).

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DISAGGREGATING TOURISTS IN CYPRUS BY MONEY SPENT AND CRIMINAL OFFENDING

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**ABSTRACT**

Tourism in Cyprus, as in many other countries, is considered a main economic activity and a lot of effort is put into its promotion. However, many are those who believe that tourism is the reason for the increase of illegal behaviour and higher crime rates on the island. As crime investigation is financially a very costly undertaking, the optimum for the country's tourist industry would be to aim at high quality tourism, by attracting tourists who spend lots during their stay and at the same time do not commit any criminal offences while on holidays. Unlike previous work, this report identifies tourists in the Republic of Cyprus that are highly involved in crime based on their nationality and type of offence and quotes their mean expenses. This intends to identify those tourists that are more 'beneficial' for the country's economy and less 'harmful' for the country's society and tourist industry. In an effort to estimate more accurately the involvement of tourists in crime, (a) a representative sample of police criminal records was used to code data for SPSS analysis and (b) comparable statistical data pertaining to a passenger survey has been utilized. The paper reports findings and considers policy implications when tourists are disaggregated on the basis of their nationality, type of offending and money spent in Cyprus. Without ignoring the methodological limitations of the data used, the paper reports important findings as far as the most favourable tourists in terms of their expenditures and criminal acts are concerned. The findings are expected to raise awareness for stakeholders involved in the tourism industry, including researchers.

**Key Words:** Tourism, Crime, Expenditure, Cyprus

**1. INTRODUCTION**

As indicated by many researchers in the past, tourism is becoming a growing industry sector for many countries, contributing to the standard of living of the host's society and the locals' quality of life, as the income resulting from tourism expenditure increases (Foster, 1985). Tourism contribution is noticeable in the development and innovation of the host's infrastructure with the expansion of construction projects like new roads, buildings and airports for better receipt of tourism impacts and exploitation of cultural exchange between tourists (Inskeep, 1991). Moreover, as shown by several studies (Allen et al., 1988; Davis et al., 1988), many opportunities are

generated from tourism referring to entertainment, leisure, shopping and consumption activities. For these reasons, many countries spend millions on promoting their tourism product and attracting as many tourists as possible and at the same time the amount of money earned. In 2014, the Cyprus Tourism Organisation's (CTO) budget allocated on promotion and publicity was €27 million (Cyprus Gazette, 2015).

On the other hand, several studies have examined the negative impacts of inbound tourism on a country's socio-culture, by highlighting the interaction of tourism and crime. The development of tourism is often related with the rising tendency that certain types of crime show (Mathieson & Wall, 1982; Pizam & Mansfeld, 1996). In addition, the locals' perceptions and beliefs about tourism development is highly associated to crime (Milman & Pizam, 1988; Long et al. 1990; Lankford, 1996). These concerns about the negative impacts of tourism, mainly the modification of the traditional culture, change in lifestyle and influence on crime, were also identified among the locals in Cyprus (Peristianis & Warner, 1996).

However, it is accepted that it is very difficult to measure the consequences of tourism as it involves many products, services and parties, hence the resulting estimations cannot be completely agreed or applied. The two main factors that are usually studied and analysed are the actual tourist arrivals and the corresponding revenue. Any negative consequences of tourism come second and thus less effort is generally made for their prevention.

The purpose of this study is to identify the best type of tourists, that the promoting parties and decision makers in Cyprus, like CTO, should attract, so that the 'benefits' in terms of the amounts spent are in excess of the 'losses' in terms of their involvement in criminal activities. For the case of Cyprus, this is an innovating study as there is no previously similar work done relating tourists' expenditure and crime involvement. The finding by Cleanthous (2008) that Cyprus' marketing efforts should mainly target the colder countries, was based on the determinants and the relative effect of country-of-origin characteristics on the demand for tourism in Cyprus.

## **2. CRIMINAL OFFENDING IN CYPRUS**

As Nkosi (2010) reminds us, a manifestation of human behaviour, tourism is sensitive to crime and is immediately affected by it. Ferreira and Harmse (2000) warned about a decrease in tourism in South Africa due to increasing crime levels. In cases of isolated but serious crime news of which are spread fast by word of mouth and by the media, the tourist industry, as one of the stakeholders, has a vested interest to join forces with other stakeholders in order to minimise the impact of negative publicity on tourists (Dimanche, 1999). As will be shown below, the relationship between tourism and crime is more complex than early studies claimed. Let us, therefore take a look at the picture of crime in Cyprus. Comparatively speaking, the Republic of Cyprus enjoys low crime rates. On the basis of the latest (2011) census, the free areas of the Republic of Cyprus have a population of 856,060 million inhabitants. As far as serious criminal offences by type in the Republic of Cyprus<sup>3</sup> are concerned, examination of the annual police statistics for the period 1981-2013 shows the number of cases reported to the police by type of serious offence have, generally speaking, been increasing significantly for homicide, arson, robbery, drugs, and destroying property with explosives whereas thefts and burglaries have levelled off the last few years. Focusing on 2014, according to the police statistics for 2014 for serious offences there were: 20

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<sup>3</sup> The northern part of Cyprus has been occupied by Turkey since it invaded the island in 1974. The Republic of Cyprus is only able to exercise control in the free areas of the Republic in the southern part.

murders and attempted murders, 16 rapes and attempted rapes, 229 arson and attempted arsons cases, 104 robbery and extortions, 1080 drugs cases, 47 cases involving criminal damage by explosives, 2333 burglaries/housebreak-ins, 966 thefts, and 1786 'other' serious offences. Regarding the gender of crime suspects, males were involved as suspects in the great majority of the crimes reported to the police in 2013: 100% of causing criminal damage with explosives, 98% of robbery and extortion, 95% of break-ins, 94% of drugs, 93% of murder and attempted murder, 90% of causing grievous bodily harm, 86% of arson, and 78% of thefts.

### **3. TOURISM AND CRIME**

Research into tourism and crime (see Perry and Potgieter, 2013)<sup>4</sup> has focused on a number of topics, namely: tourists as both offenders as well victims; higher level of offending in tourist areas; the impact of tourism on a region's crime level; tourism and terrorism; tourism as instrumental for deviance or offending; and, finally, how the authorities respond to the issue of tourism and crime, especially as far as crime prevention measures are concerned. Let us next consider the evidence for tourists as offenders before examining the evidence for the criminal victimization of tourists, especially in comparison to local residents, a distinction emphasised by Albuquerque and McElroy (1999).

#### **3.1 Tourists as Offenders<sup>5</sup>**

Assuming that most tourists who are victims of crime report it to the local police who, in turn, record the offences reported to them, it would not be unreasonable for one to hypothesise that tourism increases crime in tourist destinations because: tourism creates opportunities for local criminals to address certain tourists' demands for drugs and/or sex; among the tourists there are persons who routinely commit crime, including football hooligans and drug 'mules'; tourists are vulnerable for being victimised (see below); and local criminals are presented with additional opportunities to offend. Of course, it is not uncommon for certain tourists, especially those with a criminal record for property offences in their own country and who travel on low budgets to commit property offences or sell drugs or prostitute themselves to meet the cost of their holidays. Low-cost air travel has vastly increased the opportunities for such persons, too, to holiday overseas.

Ochrym (1990) examined the mean crime rates in three tourist areas (including Atlantic city where casino gaming was legalised in 1976) and two urban centres in New Jersey and found that tourist destinations had had mean crime rates significantly higher from urban centres. As criminologists are not tired of reminding us, crime is, generally speaking, an urban problem. The early study by Jud (1975) of a cross section of 32 Mexican cities for the year 1970 examined the relationship between tourism and crime controlling for urbanization and found that the volume of officially recorded crime and property-related crime (theft, fraud, robbery) are closely related to crime in a positive way. A weak relationship between tourism and crime was reported for a cross section of 50 US States by Pizam (1982) found that total crime and property-related offences such as theft, fraud, and robbery were positively correlated with tourism but offences against the person (assault, abduction, kidnapping, rape, and murder) were not. Kokkinos and Kapardis (2014) found in their study of the impact of tourism on crime in Cyprus

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<sup>4</sup> They cite Brunt et al. (2000:417) and George (2010:807)

<sup>5</sup> For studies in this section I have drawn partly on Biagi et al (2012).

during 2009-2012 that, contrary to popular belief, tourist offenders in Cyprus did not significantly contribute directly to increases in the total volume of crime by offence type. A positive relationship between tourism and economic-related offences was reported by McPheters and Stronge (1975) in Miami, Florida, who, used time series analysis and found (like Fuji and Mak, 1980- cited by Biagia et al 2012) a significant seasonality to tourism and increases in theft, burglary and robbery. In support of earlier studies, Campaniello (2011) found that when Italy hosted the Football World Cup, there was a significant increase in property offences. Further evidence that tourism is associated with economics-related crimes was reported by Biagi and Detotto (2014) for a cross-section of Italian provinces. Regarding the impact of tourism on crime in different countries, in their study of 46 European countries, Van Tran and Bridges (2009-cited by Biagi et al., 2013) reported that, as the rate of tourists arriving in a country increased, crimes against the person were reduced. As Biagi et al (2012) reminded their readers, a mere correlation between tourism and crime does not tell us whether the victims of the crimes attributable to tourism are other tourists or local residents. Biagi et al tested whether total crime in Italy was affected by tourism during the period 1985-2003. Controlling for the propensity of tourists and residents to be victimised, the likelihood was quite similar for the two groups and concluded that it was urbanization that appeared to provide the main explanation for the effect of tourism on crime. We see that the weight of the evidence, taking quality of methodology into account, with the notable exception of Van Tran and Bridges (2009), points to a positive relationship between tourism and crime when controlling for urbanization.

### 3.2 Tourists as Victims of Crime

Tourism management and tourism academics have reported more studies of tourists as offenders than as victims and have paid even less attention to tourists' experience of and fear of crime. Mention was made above that tourists are particularly vulnerable to criminal victimisation. This is surprising given that "crime has significant impacts on the tourism industry" (Perry and Potgieter, 2013:104). Comparing tourists and local residents as victims of crime, it needs to be acknowledged that tourists are, of course, more vulnerable for a number of reasons, including: they frequent specific high-risk locations such as night clubs; generally speaking, are not familiar with the area they are holidaying in; often do not speak the local language; carry such sought-after-by criminals valuables as cameras and cash; they are often overcharged or swindled or defrauded; and, finally, recent years have seen international terrorists attacking tourists resorts in order to kill citizens of particular countries (e.g., Israel) holidaying there and/or to damage the economy of a country. Not surprisingly, perhaps, when Albuquerque and McElroy (1999) analysed crime data for Barbados for 1989-19993 and reported that tourists had a greater crime victimisation rate than local residents and, also, tourists' victimisation involved property crime and robbery while locals experienced violent crime. It should be noted in this context that when comparing victimisation of tourists vs locals, one should also consider possible differences in reportability of different offences and as a function of the whether the victim and/or the offender is local or a tourist.

As far as crime victimisation of tourists is concerned, Mawby et al. (2000) and Brunt et al (1999) carried out a postal victim survey of a national sample (N=514) of British people focusing on their last holiday and found that (a) those surveyed experienced higher victimisation rates that they would have done at home, and (b) while criminological research indicates that fear of crime normally exceeds one's actual risk of crime victimisation, for the sample surveyed risk exceeded their fear. Interestingly, although many of the respondents said they had taken how they perceived safety into account when choosing where to go on holidays, only a small number of them considered crime a problem while on holiday. Biagi et al. (2012) examined whether crime in Italy is affected by tourist arrivals. Using data for the period 1985-2003 they found that (a) there was a positive correlation



between tourism and crime tourist destinations. However, when they controlled for the difference between tourists and local residents to be victimised, no significant differences were found.

The discussion of the literature on tourists and criminal offending shows a link between tourism and property-related offences. The present paper reports findings from an examination of the relationship between tourism and crime, taking into account the money spent by a tourist.

#### **4. RESEARCH DESIGN AND METHODOLOGY**

As this project focuses on two research areas namely (i) the involvement of inbound tourists in crime and (ii) the amount of money they spend; two different data bases were initially used.

For the purposes of estimating tourists' involvement in crime, a sample survey within the police records was employed, with reference the period 2009-2012. As most of the information on tourist offenders is kept in written form in police records, this practice helped us to build a data base in SPSS in an effort to better analyse their antisocial behaviour, based on their demographic characteristics and type of crime committed. It should be noted that for statistical purposes, the counting unit used is the case recorded by the police with the number of offenders. It is possible that the same offender may be involved in more than one case.

For the purposes of studying the revenue from the inbound tourism and the expenditures of tourists, the research in this study utilised the results from the passenger sample survey conducted by the Cyprus Statistical Service (CYSTAT, 2012), which took place at the departures of the airports during the same period 2009-2012.

The methodologies used in both of these sample surveys were similar. Particularly, the data collections were completed with the aid of survey questionnaires, the same expansion techniques were used for estimating the population parameters from the sample statistics and finally the ratio factors applied considered similar variables, such as the year and tourist's nationality.

The main constraint in this research work was the fact that no unique record, database or survey exist that reports the expenditure habits of each tourist offender. Thus, the next and final step was to create such database by joining the two – the resulting database from the sample survey within the police records and the findings from the passenger sample survey; in order to relate the expenditures with each tourist offender. This was done under the assumption that each tourist offender spends the same amount as any other tourist from the same country. Thus the unique key used for merging the two was the nationality of each tourist offender.

#### **5. ANALYSIS AND FINDINGS**

In order to identify any significant differences concerning the variables investigated and draw conclusions about the population under study, the findings of this project were examined based on the demographic characteristics. The survey data was coded and analysed using SPSS. Apart from descriptive statistics, inferential statistics and tests, like Chi-square tests and t-tests were employed.

With the aim of achieving the main goal of this research study and identify those tourists that are more 'beneficial' for the country's economy and less 'harmful' in terms of their criminal acts, Table 1 was constructed.

The results as described in Table 1, present, for the main countries only, the estimated frequency of crimes committed by tourists with respect to their country of origin, along with the estimated results concerning the type of crime and amount of money spent. Apparently, it is expected that the frequency of committed crimes related to the tourist offender's origin, is proportional to the value of tourist arrivals from that country. However, based on the project's findings and using a Chi-square test, this is not always the case. In fact, it is indicated that tourists' antisocial behaviour depends on their country of origin. "A key risk factor for involvement in fights on holiday includes nationality" (Hughes et al., 2008).

Figure 1: Tourist offenders by country, for the period 2009-2012

Country	Tourist Arrivals	Total Crime	Serious Crime	Minor Crime	Mean Exp. per person (€)
U.K.	44.1%	33.8%	16.7%	51.0%	715.4
Russia	12.9%	10.2%	14.7%	5.6%	946.2
Germany	6.2%	0.3%	0.1%	0.4%	748.9
Greece	5.8%	0.2%	0.3%	0.0%	433.2
Sweden	4.9%	3.8%	0.4%	7.2%	651.3
Norway	2.8%	0.3%	0.1%	0.5%	760.4
Switzerland	1.9%	0.1%	0.2%	0.0%	950.1
Israel	1.5%	0.3%	0.5%	0.2%	488.0
Netherlands	1.5%	0.2%	0.2%	0.3%	703.0
Finland	1.4%	0.0%	0.0%	0.0%	603.9
Denmark	1.4%	0.1%	0.0%	0.2%	618.6
France	1.4%	0.7%	1.5%	0.0%	750.0
Poland	1%	3.4%	5.5%	1.3%	579.7
Romania	1%	14.2%	15.4%	12.9%	692,0
Bulgaria	0.4%	15.7%	19.3%	6.1%	596,7
Others	11.8%	16.7%	25.2%	14.2%	n/a
Total	100.0%	100.0%	100.0%	100.0%	743.7

Tourists from the United Kingdom, who constitute the majority of the tourist industry in Cyprus, with 44,1% of the tourist arrivals, are involved in 33,8% of the total crime committed by tourists. Even though, their contribution in serious crime is relatively low with 16,7%, their contribution in minor crime is much higher, as they are responsible for half of them (51,0%). Concerning their expenditure habits, tourists from the United Kingdom spend on average €715,4 per person, which is below the total average (€743,7) of all tourists.

The second biggest market of tourists in Cyprus is from Russia who amount to 12,9% of the tourist arrivals. Their crime contribution could be considered relatively important with 10,2% in total crime. Furthermore, their participation in serious crime (14,7%) could be highlighted, as it is more than twice that in minor crime (5,6%). On the other hand they are big spenders with mean per person expenditure of €946,2; much higher than the rest tourists, indicating that they are much profitable for the country's tourists industry.

The third important group of tourists is from Germany, counting for 6,2% of the tourist arrivals. Their involvement in crime could be characterised as insignificant as they add up to only 0,3% of the total crime, while their expenditure are close to the total mean. Similar is the case for tourists from Greece, who count only for 0,2% of the total crime, but who seem to spend less with only €433,2 per person. This could partially be explained by the fact that many tourists from Greece stay with their relatives in Cyprus.

Important to the Cyprus tourist industry in terms of arrivals are those from Sweden with 4,9%, whose participation in total crime is proportional to their arrivals with 3,8% and whose expenditure is less than the total average with €651,3 per person.

Tourists from Switzerland could be highlighted as ideal for both the country's tourism industry and country's society. Their contribution in total crime is insignificant (0,1%), relative to their arrivals, while they spend most probably the most with average €950,1 per person. Yet, their arrivals is kept at low levels with only 1,9%.

Moving down the list, it is remarkable to analyse the tourists from Eastern European countries, whose expenditures are kept at lower levels. Specifically, for Romania and Bulgaria the situation could be considered as worrying since their participation in crime is very high compared to their arrivals, especially in serious crime. While tourists from Bulgaria count for only 0,4% of the total tourist arrivals, they are responsible for 15,7% of the total crime and more worrying the 19,3% in serious crime. Similarly, while Romanian tourists count for only 1% of the total, their crime involvement is much higher with 14,2%. However, after further investigation, these high rates in crime could be explained to the few itinerant crime groups arriving, with the intention of committing crimes against property like thefts and calling themselves tourists. Even though these groups were made up by few persons, they were responsible for many criminal acts/cases, thus increasing the ratio. This phenomenon could also be the case for other countries, since with the accession of more countries in the European Union and free movement it has become more difficult to identify and distinguish real tourists. As also argued by Brunt et al. (2000) the motivation to travel in some cases is irrelevant with holidays.

To further understand the antisocial behaviour of tourists, a break down was made based on the types of criminal offences and nationality. The majority of the crimes committed by tourists from the United Kingdom concerns indecency and drunkenness. For tourists from Russia, the most frequently committed crimes are those of forgery and conspiracies. Conspiracies are also at the top of the list for tourists from Bulgaria, while tourists from Romania and Poland are keen in committing burglaries, housebreaking and similar offences.

In support of the interaction of the tourist criminal offending with the amount spent and economic status of the tourists visiting the island, a one sample t-test was used. The mean expenditure of tourist offenders was estimated and compared with the mean expenditure of tourists in general. Another constraint in this comparison is that in the calculation of the mean expenditure of tourists in general, tourist offenders are also included, since this measure is obtained from the passenger survey of CYSTAT.

According to the survey data, the mean per person expenditure of tourist offenders during 2009-2012 is estimated to be €713,4, whereas the mean per person expenditure of all the tourists in general for the same period is estimated to be €743,7. Based on the t-test results, there is enough statistical evidence to indicate that the mean per person expenditure of tourist offenders is smaller than the mean per person expenditure of tourists in general. Hence, we can conclude that tourist offenders are tourists who spend less and possibly have a lower economic status. This result is also consistent with the result (Prideaux, 1996) that higher crime rates are observed in cases of cheap tourism as opposed to high-class tourism.

## **6. CONCLUSIONS AND RECOMMENDATIONS**

As the importance of the tourism industry was recognised through this project work, namely the revenue resulting for the host country, the possibility of any negative consequences, such as the development of crime behaviours was also pointed out.

The interaction of tourism and crime is a complex phenomenon and thus difficult to be studied. It is a challenge to many decision makers to decide if the gains outweigh the losses. In addition, the problem of shortage of information currently existing on the extent of antisocial and criminal behaviour between visitors, on the reasons that boost their involvement in criminal activities during holidays and on their economic status and expenditure habits, was identified.

Regardless of the complexity and the level at which tourism and crime are interacted, the lack of information, the several restrictions and limitations, a practice was suggested by this study to disaggregate tourists by the amount of money spent and criminal offending. The intention was not to accuse or point the finger at any tourist, but to identify that type of tourists that are best for the country's tourism industry, namely those who spend the most and commit crimes the least. Such type of tourists identified by this project was for instance tourists from Switzerland. Yet, the absolute figures for tourists arriving from Switzerland are found to be at low levels. Thus, a suggestion to stakeholders is to consider targeting more this group, by taking into account of course other factors not considered in this study, like distance, traveling costs, demand, feasibility, etc. Tourists from Russia are also very beneficial and are already very supportive for the country's tourism industry. Still with better understanding of antisocial behaviour and prevention measures, their involvement in criminal acts could be minimized. As pointed out by this study, due to the fact that not much information is kept for the characteristics of the offender in the police records, it is difficult to identify and distinguish real tourists from those who claim to be tourists. This could be a reason for the higher reported crime figures for "tourists" from Eastern European countries, who with the accession in the European Union can easily travel across the Member States.

Consistent with the results of other studies, it is recommended that by attracting tourists of higher economic status, better outcomes would be gained from both the economic and the social consequences of tourism.

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## INFORMATION AND COMMUNICATION TECHNOLOGIES AND CULTURAL TOURISM: APPRECIATING THE ART OF TINSMITHING

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## **ABSTRACT**

The art of tinsmithing is one of the expressions of craftsmanship that was been around for several centuries, although with the industrial procedures and with the advent of new and cheaper materials became almost obsolete as a means of producing every day tools and objects. Nowadays its expressions relies in some specific art forms that may catch just the glimpse of its initial propose and vast use. This paper promotes debate on the work and legacy of tinsmiths as an expression of cultural heritage and form of integration as a piece of cultural and educational tourism. Since most tin workshops have disappeared or remain in specialised and industrialised form, there are fewer and fewer places where one can see this art form in progress, as a form of producing daily use tools and not as a form of producing some kind of art-oriented objects. The use of information and communication technologies (ICT) is an extraordinary tool for disseminating knowledge and expertise, making it a strategic vector in the field of cultural tourism nowadays. This paper presents an example where ICTs are used as a tool to keep this tradition alive, which is deeply rooted in the history of Tomar, a small town in central Portugal. ICTs play an important role in providing visitors with a more interactive experience while promoting access to information by the visually impaired and foreign visitors. The ICT tools available such as audio and video information included in websites, QR codes, apps for mobile devices, among others, will be explored as means for dissemination of integrated and inclusive cultural tourism.

**Key Words:** Information and communication technologies (ICT), cultural tourism, tinsmithing, craftsmanship

## INTRODUCTION

The regressive trends observed in many territorial areas have raised growing concern among authorities leading to the adoption of innovative models in order to maximise the endogenous potential and actively involve local actors in the development process. This notion is shared among several institutions and bodies, both at community, local and national levels and even at scientific level (Cristóvão, 1999; Ribeiro e Marques, 2000). Today, territories are faced with the challenges resulting from the restructuring of traditional economic activities. These challenges have promoted new local development policies sustaining the exploitation of local resources and the diversification of craft activities. The present paper deals with the preservation of memory and local culture craft arts, particularly tinsmithing, allowing the development of well-being generating activities that are attractive to tourism and affirming local culture and know-how as distinguishing factors of a given territory. This is the context in which we recognise the importance of using information and communication technologies and cultural tourism in the valorisation of the art of tinsmithing. We have demonstrated that importance by submitting a proposal to create a website for the *Museu de Latoaria Américo Migalhas* (Américo Migalhas Tinsmithing Museum) as well as the use of QR codes and audio guides.

### **The art of tinsmithing: a piece of cultural and educational tourism**

Public intervention with a view to regulate traditional arts related activities has been growing in Portugal over the last decades as a result of their increasing recognition as having patrimonial interest, as well as social, cultural, symbolic and economic potential. In Portugal, specific concerns about traditional arts produced in different contexts and with different materials have evolved and encountered the first institutional constraint in the very concept of traditional arts and crafts (Antunes 1999: 18). The change of the values of use and representation of tourism-related goods has enabled to re-establish the identity of objects. This is closely related with the cultural commodification process (of traditional arts and crafts), which causes alterations in shape and materials during the manufacturing processes. Pratts analysis (1997) on "cultural commodification processes" suggests that the assignment of values to certain manifestations of the past by social actors from different settings and driven by different interests relies on "distinct powers" to ensure that recognition is granted, and this can be applied to cultural tourism.

Many people view tourism as a key sector for the development of the territories by establishing a set of actions that aim to maximise local resources. The promotion of a set of activities that qualify and identify the tourist offer, particularly in terms of traditional arts/crafts and local products, has generated a growing concern with the protection and recovery of cultural heritage. Traditional arts/crafts are an important aspect in the attractiveness of a tourist destination (Richards & Wilson, 2007) contributing to the maintenance of cultural identity and the survival of traditions at risk of being lost. This becomes even more relevant when new trends point to greater readiness for tourism consumption, for experimentation and strong emotions, for "sensing and valuing authenticity" (Lopes 2012: 296). In this context, the art of tinsmithing is of highest importance in the sphere of cultural tourism. As highlighted by Nield (2004), in future the competitiveness of a place as a tourist destination will strongly depend on the sustainability of its cultural, historical and traditional resources. The benefits generated by the close relationship between the art of tinsmithing and tourism are conveyed by local cultural identity. Moesch (2002) argues that tourism is a complex combination of interrelationships between production and services favouring the socio-cultural dynamics and exchange of intercultural information. This way, appropriate actions for cultural intervention adjusted to the realities of each region can minimise the undermining of territorial identity.



Cultural tourism can become an excellent vehicle for the transmission and dissemination of the art of tinsmithing. Its interaction with tourism is crucial for the attractiveness of destinations. All the more so as modern globalisation poses particular challenges to this sort of art such as the demand for peculiar tourist destinations where the existence of distinctive heritage from local communities encourage its "authentic appropriation" (Lopes 2014). Information and communication technologies are a key means for the dissemination and promotion of information and know-how related with the art of tinsmithing as they allow direct, attractive and user-friendly forms of communication or, in other words, the democratisation of knowledge.

Therefore, this art is of great importance in the context of cultural tourism in which information and communication technologies have a particularly proeminent role to play in its dissemination and fruition.

### **The use of information and communication technologies to promote cultural tourism**

Information and communication technologies are powerful instruments in the promotion of cultural tourism as well as in the consolidation of strategies and operations of the tourism industry (Buhalis, 2004). There are more and more websites and mobile applications in this sector and technologies such as QR codes, audio guides, digital guides and augmented reality are becoming increasingly important.

The QR (Quick Response) code is a free-of-charge two-dimensional code created by the Japanese company Denso-Wave, which has a storage capacity far superior to conventional bar codes. A QR code can store more than 7000 characters and accepts numeric and alphabetic characters, Kanji, Kana, Hiragana, symbols, binary digits and control codes (Denso-Wave, 2012). This code was initially applied in the automotive industry, but quickly expanded to a wide range of industries, including tourism.

A QR code can be created in seconds using online tools such as *QR Stuff* (<http://www.qrstuff.com>), *QR Code Generator* (<http://goqr.me>) or *The QR Code Generator* (<https://www.the-qr-code-generator.com/>). No specific equipment is required to read it, just free applications for mobile devices such as smartphones or tablets.



Figure 1. QR code in the city of Lisbon (source: <http://tinyurl.com/qhu2g9a>)

QR codes can be found in various locations and in several sizes. The first QR code in *calçada portuguesa* (Portuguese traditional pavement) can be found in the area of Chiado, in Lisbon, and provides tourist information about the area (Figure 1).

Also in Rio de Janeiro, the competent authority for tourism is using QR codes in sidewalk pavements to help tourists to get to know the city better, including the beaches and historic sites. In Manchester, the Manchester Art Gallery and Julian Tomlin launched the Decoding Art project that aims to disseminate 20 artworks located in several points of the city making use of QR codes (Grimes, 2011).

This technology is already used in numerous museums such as the Chicago Field Museum (Figure 2), the Amsterdam Museum, the Australian Museum, the Brooklyn Museum, the Cleveland Museum of Art, the Derby Museum, the Grant Museum of Zoology, the Museo Civico Archeologico di Bologna, Museo Civico del Risorgimento, the National Museum of Scotland, the National Naval Aviation Museum, the Powerhouse Museum, the Santa Cruz Museum of Art & History, the Smithsonian Natural History Museum and the Virginia Museum of Fine Arts. In Portugal we can find this technology in the Museu Nacional do Traje (National Costume Museum) in Lisbon.



Figure 2. QR code at the Chicago Field Museum (source: <http://tinyurl.com/nwz4o9w>)

Audio guides are generally sound files in MP3 format that can be downloaded from the Internet or specific hotspots using wireless technologies such as bluetooth and Wi-Fi. There are also mobile devices that already have the audio guides incorporated.

Audio guide machines can be turned on by the user or activated by GPS. When the mobile device with GPS is on a specific location an audio file with detailed information about the place is automatically reproduced.

In Portugal the village of Monsanto was the first location to use an audio guide system activated by satellite technology. Today audio guides can be found in most tourist sites and are often provided free of charge. For example, the website of the municipality of Tavira offers audio guides in several languages that allow visitors to take several tours around the town. The municipality of Ansião also provides audio tours of the town.

As regards museums, the free platform Audite has been gaining some importance allowing the visitors to download free guides for over two dozens of museums including the Museu do Brinquedo, the Museu de Lamego, the Museu

Nacional de Etnologia, the Museu Militar de Lisboa, the Museu do Oriente and the Museu dos Transportes e Comunicações. The use of audio guides, not only allows most enriching experiences, but also improves museum accessibility (Grandson, 2010).

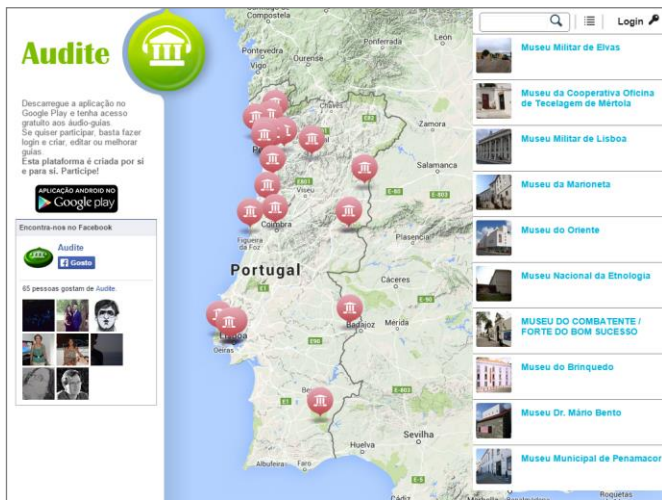


Figure 3. Audite platform (source: <http://tinyurl.com/nq6wyz4>)

In addition to audio guides, tour guides on mobile devices and applications allowing tourists to create their own itinerary are becoming increasingly common. The scope and level of detail of the information contained are diverse. There are tour guides of villages, towns, cities, regions and even countries, as is the case of *Argentina Travel Guide* and *Amazing Thailand*.

If you travel to Brazil from the Porto or Lisbon airports you can download the application Brazil Mobile in the boarding areas via a bluetooth connection. This digital guide has information about a range of cities such as Belo Horizonte, Brasília, Florianópolis, Fortaleza, Manaus, Porto Alegre, Recife, Rio de Janeiro, Salvador and São Paulo.

In Portugal there are also good examples such as the YouGo guides, Braga Digital (Braga), the Caldas da Rainha City Guide (Caldas da Rainha), Just-in-Time Tourist (Castelo Branco), Mobitour Guimarães (Guimarães), oPORTOnity City (Porto), VisitAlgarve (Algarve) and Vive Chaves (Chaves).

The use of augmented reality services for mobile devices allows to provide additional information. Among the most popular applications with augmented reality services for mobile devices is Wikitude. But there are many more platforms such as DroidAR, DWARF, Layar, IN2AR, FLARManager, PanicAR, SudaRA and FLARToolKit (Kounavis, Kasimati & Zamani, 2012).

According to a report presented by Buhalis and Yovcheva (2014), augmented reality can be used for a wide range of purposes: an enhanced booking experience; museum interactivity, AR browsers in the destination, responsive experience through gaming, services in the restaurant, re-living historic life and events, the hotel experience, transportation, accessibility and translation and participative destination management.



Figure 4. Augmented reality in a museum (Source: <http://tinyurl.com/nmfkmrd>)

The use of augmented reality adds an extra view of reality increasing the interest of tourists in visiting certain locations, helping them choose what to see and making it easier to create their own itineraries (Jesus & Silva, 2009).

## PROJECT DESCRIPTION

With the aim of promoting the dissemination of Tomar's art of tinsmithing, we launched a project in 2015 consisting on the creation of a website for the Museu da Latoaria Américo Migalhas and the use of QR codes and audio guides. The project aims to bring international recognition to this century-old art, to show some of the emblematic pieces of the cultural heritage of Tomar and to publicise the workshop run by Otília Marques (daughter of Américo Migalhas) who is trying to keep the art alive.



Figure 5. Website of the Museu da Latoaria Américo Migalhas - Tomar

The development of the website relies on the collaboration of the students Ana Cascão and Joana Valentim as part of the final project work of Information Society: Tourism and Culture - a course of the bachelor's degree in Tourism and Culture Management offered by the business school within Instituto Politécnico de Tomar. The website makes use of free software and will be adapted for mobile devices and translated into several languages.

QR codes with detailed information will be created for the pieces on display and, in some cases, also videos that will enable the visitors watch the manufacturing of the pieces, which enhances the art even more (figure 6).



Figure 6. Pan used to bake the Fatias de Tomar, a traditional local delicacy (<http://tinyurl.com/no6agvw>)

The aim is also to create an audio guide to be downloaded at the museum to the visitors mobile devices via bluetooth as well as to integrate the Museu de Latoaria Américo Migalhas into the tour of museums proposed by Marques and Santos (2012).

The tour of Tomar museums, as initially proposed, includes the João de Castilho Municipal Museum with its three sections: Ancient Art, Naturalistic Art and Contemporary Art; the Museu Hebraico Abraão Zacuto (Abraão Zacuto Jewish Museum) and the Museu dos Fósforos (Matches Museum) (Figure 7).

## **Conclusions**

The new tourist culture seeks to influence tourist motivations, forcing destination locations to preserve their differences (local culture, traditions, architectural and environmental values, traditional arts and crafts, etc.) and, therefore, information and communication technologies are crucial tools for the promotion of cultural tourism. This paper confirms cultural tourism as a vehicle of cultural assertion. The concern to maintain some local/regional identity is an undeniable reality led by the art of tinsmithing. Cultural tourism is one way of preserving the art. The increased demand for tin objects within the cultural tourism sector can open up new perspectives for development of tourist and cultural activities, emerging as an aspect of local culture.



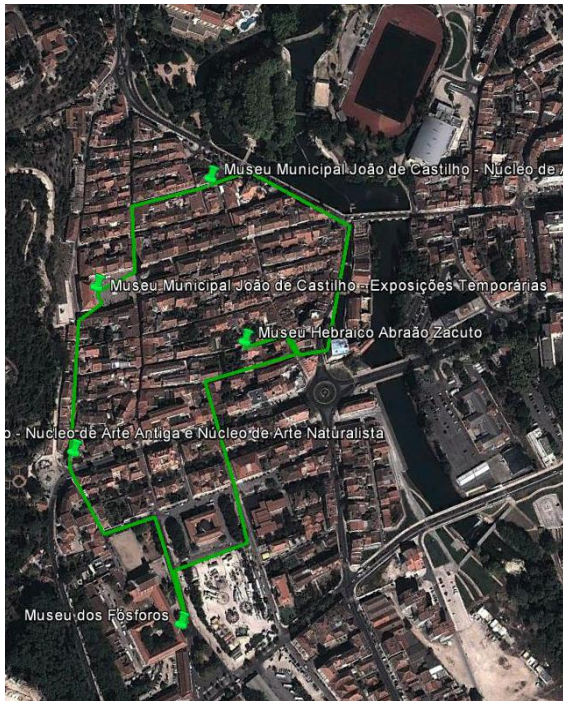


Figure 7. Tour of Tomar museums (Marques & Santos, 2012)

We further conclude that the dynamics of demand could stimulate the development and marketing of objects relating to Tomar's tangible and intangible cultural heritage, converting them into tourist products and, therefore, the creation of a website for the Museu da Latoaria will contribute to the valorisation, dissemination and preservation of patrimonial aspects involved in this art. Once again we stress that information and communication technologies play a crucial role in the internal management of organisations and in the articulation between all actors involved in the tourism industry. Real access to tin objects is not just a matter of taste and fruition. True enjoyment is in understanding their context and consequently in perceiving them as a vehicle of knowledge transferral. Thus, information and communication technologies become a key means of promoting knowledge via cultural tourism, disseminating and democratising it in a more direct, attractive and appealing way. Finally, we conclude that the creation of the Museum's website, the use of QR codes and the creation of audio guides is a real challenge for the dissemination and understanding of the art of tinsmithing and at the same time becomes an essential support for the creation and transferral of expertise.

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**Rindrasih Erda***PhD candidate Faculty of Geoscience, Department of Human Geography and Planning, Utrecht University Nederland***ABSTRACT**

Tourist destinations are increasingly challenged by environmental disasters brought by natural events such as earthquake, floods, drought, windstorms, volcano eruption, typhoon, etc. The differences between destination management types create the various debates on the effectiveness of management type in dealing with disaster. The community based tourism destination have interesting aspect to be examined which distinct from government or private based destination. The contribution of this article are: (1) to establish an assessment framework for the community based tourism management capacity in dealing with natural disaster, and (2) to investigate the community based tourism crisis management following the disaster lifecycle in Candirejo tourism village including emergency, recover and prevention. The selection of Candirejo is based on its impact from Merapi Eruption at 2010 which also one of community based tourism. The study applied qualitative analysis through interview toward stakeholders and villagers in the field survey activity conducted at 2011 and 2014. The research resulted the examination of community-based management in emergency case, recovery and preparation in the village that becomes a tourism area. Several notions have been drawn based on the key assessment framework including: individual and community level responses, livelihood alternative beside tourism, uneven access to economic capital and insurance, lack of disaster awareness and preparedness, tourism recovery policies, resilient market and clientele and effectivity of community based tourism disaster management.

**Key Words:** resident, disaster, tourist, destination, and preparedness

**1. INTRODUCTION**

Tourism is one of the largest industries in the world in terms of both number of employment and revenue. International tourism pushed ahead in 2014 as the number of international tourists (overnight visitors) grew 4.4% with an additional 48 million more than in 2013, to reach a new record total of 1,135 million. This caps five consecutive years of above average growth since the global economic crisis of 2009. In term of tourism contribution to trade, International tourism share 30% of the world's exports of services and 6% of total exports. This contribution is similar for both developed and emerging economies. Moreover as an export category, it ranks fourth worldwide, after fuels, chemicals and food, but notably ahead of automotive products. Compared to fuels, earnings from international tourism benefit a large number of exporters and the sector also tends to create more employment (UNWTO, 2014).

Travel and tourism industry is a significant part of the employment structures of advanced industrial nations and lesser-developed countries. The growth potential of the tourism industry means more opportunities for investment in the future. Tourism industry has become a highly dynamic spatial network of production and consumption. There are such implication in some of the critical theoretical issues of current concern to economic geographers; globalization of capital and firms, deindustrialization and regional economic restructuring, increased significance of strategic alliance networks, spatial division of labour, urban revitalization, the growth of economic-based information technology service, evolution of advanced services and creation of postmodern/post-industrial/post-Fordist landscape (Ioannides & Debbage, 1998).

Each and every tourism development context whether local, regional, or national, is unique. Not only are destinations defined by a particular combination of environment resources, natural or man-made but also the robustness or fragility of those resources. Furthermore, the types of attraction, which influence the tourism experience, scale, scope, character, and stage of development of the tourism sector define the destination. It generally represents parameters within which the tourism-environment interface may be perceived, and consequently appropriate policies for the management and development of tourism are considered.

The tourism literature classifies five factors why some destinations are vulnerable to shocks: (1) the place-specific nature of tourist activity (Richter & Waugh, 1986; Sönmez, Apostolopoulos, & Tarlow, 1999), (2) the fragility of destination images to negative perceptions of risk (Huan, Beaman, & Shelby, 2004; Richter & Waugh, 1986; Sönmez et al., 1999), (3) a high dependency on tourism as a primary livelihood (Knox & Marston, 2004; Ritchie, 2004), (4) a heavy reliance on the marketing strategies of international tour operators (Knox & Marston, 2004), and (5) high levels of seasonality (Meheux & Parker, 2006). In addition, in assessing the vulnerability in risk prone location framework, there are a lot of issues that provide that such as climate change, disaster management and food security, however the approaches have not provide the understanding of assessing vulnerability in tourism destination. The study conducted by Nankenrvis (2000) explain about an industry specific vulnerability framework focus on all tourism business stakeholders operating at the global to local scales only which not completely explain at the community level (Nankervis, 2000). In the absence of a suitable framework, this paper presents the framework to assess the community management tourism destination in dealing with disaster. Furthermore, it develops a framework for analysing the multiple causal factors that contribute to the vulnerability of tourism communities. Through those understanding, I deem it essential to investigate how the community based tourism can be sustained in the face of risk and vulnerability by assessing the case study areas about its disaster risk management.

The debate on community based planning is abundant, however the discussion the community based disaster reduction is very limited, in particular, the debate about distribution of authority across multiple institutions in practice. The question is raising to what extend does the community have power to conduct the community based disaster reduction in tourism destination, because the community based tourism itself is debatable in term of profitability, who speak for the community, and barrier of local participation (Blackstock, 2005).

In October 2010 the Merapi Vulcano erupted and impacted to physical aspect, civilization and economic aspect. After that, Kelud volcano erupted in February 2014. The volcano is lied in Central Java Provinces and Yogyakarta Special Region and in four districts (Boyolali, Magelang and Klaten districts under the administrative of Central Java Province and Sleman district under the administrative of Yogyakarta Special Region). It has been four years from Merapi eruption and one year of Kelud eruption meaning that there is sufficient time to analyse three stages of disaster lifecycle in term of tourism crisis management through community based. The location of the study is the village of Candirejo, as the representative of the community surrounding the area of heritage site Borobudur that

is located in the Regency of Magelang, the Province of Central Java. This paper investigates the community based tourism crisis management following the disaster lifecycle in Candirejo tourism village, which includes emergency, recovery and prevention phase. Finally the paper discusses the issues related community based tourism in dealing with disaster and calling future research which could contribute to better understanding, planning and management of crisis and disaster in the tourism based on community management.

## 2. LITERATURE REVIEW

### 2.1. Tourism Disaster Management

In tourism management, the term of crisis is currently well known. In order to understand the disaster event with the relation to tourist destination we need to consider the concept of disaster lifecycle and destination lifecycle. The disaster lifecycle is introduced by Baker et.al (2014). Disaster as a cycle illustrations no clear beginning or ending point that means each phase influencing the next (Baker, Cormier, & Cormier, 2014). They argue that the intervention intersecting at any point in the cycle will influence the entire chain. Besides, the National Response Framework from FEMA (2013) introduces five areas of cycle including prevention, preparedness, responses, recovery and mitigation.

**Prevention.** Although not every disaster can be prevented by the occurrence of disaster that might be predicted. Prevention capabilities, being able to prevent an event from happening, are in a constant state of development as more have learned about disaster aetiology (Baker et al., 2014). It is therefore, understanding the technology especially on meteorological system and weather tracking greatly improves the capabilities in preventing from disaster. Improved national and local securities enable the targeted prevention of man-made disasters such as bombing and acts of terrorism that have influenced the occurrence of events.

**Preparedness.** The next phase in the disaster life cycle is preparedness. Preparedness consists of individuals, families and community anticipating personal needs. This identification is conducted in the event of a disaster and maxing on ways to meet those needs by increasing awareness, establishing a plan; obtaining physical supplies such as food, water and health related items, and identifying shelter options. Ideally, personal preparedness builds response capacity helping individuals to meet their own needs without the assistance of external resources. Hence plans and preparation activities conducted past to an event allow for a more efficient use of resources post-event, and contribute to saving lives and property (Baker et al., 2014).

**Response.** Disaster response involves post event activities aimed to limit loss of life and property, assisting a population in regaining a pre-event level of functioning (Baker et al., 2014). The scale of the response varies greatly but is in direct proportion to magnitude of the disaster, geographic and population vulnerability of the region, and the availability of resources. Immediate response efforts centre on providing crisis intervention service and stabilizing the community. General public oftentimes confuses response activities with longer phase work that occurs in recovery. While there is some overlap, the goal of response is stabilization of opposed to restoration of pre-event functioning, the goal of recovery.

**Recovery and mitigation** are also important parts on the disaster life cycle. However recovery activities commonly receive less attention in the media even though such activities can take place months or years after the event, depending on the level of devastation. The recovery period includes damage and risk assessment by authorities, resulting in plans for mitigation, or actions taken in order to lessen the effect of future events. Recovery and

mitigation go hand in hand as efforts made to restore communities involve changes that make areas less vulnerable to future risk (Baker et al., 2014).

The disaster lifecycle would be very useful to be linked with the destination lifecycle ideas. Butler (1980) wrote about the basic idea of Butler's Tourism Area Life Cycle (TALC) model that a destination begins from exploration – involvement – development – stagnation – rejuvenation – decline. The first cycle is exploration as a relatively unknown and visitors initially come in small number restricted by lack of access, facilities, and local knowledge, which is labelled as *Exploration*. When people discover the destination, the information about it is spread which spurs the increased attraction, amenities and better facilities and infrastructure; this is called the *development* stage. In this stage the number of tourist arrivals begins to grow rapidly (Butler, 1980). When the tourist arrivals grow rapidly the issue that comes up is carrying capacity. There are a limited number of tourists who can visit the destination area without causing negative impact. The concept of carrying capacity applies for amenities, accommodation, and facilities. When the number of visitors is over the limit, the stage is called stagnation; meaning if the number of tourist increases then there will be lower of satisfaction. The rise from exploration to stagnation often happens very fast, this is an implication of the exponential nature of growth curve.

Tourist destination is defined by a particular combination of environmental resources both natural and man-made. It also includes the factor of robustness or fragility of those resources, the significance or centrality to the tourism experience, and the scale, scope, character and stage of development of the tourism sector more generally represent parameters within which the tourism-environment interface may be perceived. It should be supported by appropriate policies for the management and development of tourism considered.

Tourism development is facing the challenge of natural disaster. Managing the tourism is not only merely about managing its development but also managing the condition during crisis. There is very little literature discussing about how to manage tourism sector in crisis especially in crisis due to natural disaster. According to (Ritchie, 2009), there are three main stages in managing such incidents on tourism; 1) prevention and planning; 2) implementation; 3) evaluation and feedback. This stage mostly follows the disaster lifecycle introduced by Baker et.al (2004). Moreover, there are visible similarities between the lifecycle of crisis/disaster and the strategic planning or management framework.

The phase in disaster process introduced by Ritchie (2009) is included in six phases. The first stage is *pre event*, when action can be taken to prevent or mitigate the effects of potential disaster. This stage is precursors which the element including set up the destination management team; identify the agencies and institution relevant with the cases; establish the framework of cooperation; develop the disaster management strategy; educate of stakeholder, industry, employees, customers and communities; and provide agreement between actors. The second phase is *prodromal*, when the event is obvious imminent. In this step, the important elements management is a warning system, disaster management command centre, and secures facilities. The third phase is *emergency*, when the action is very necessary to protect people and property. The element of emergency in this phase is action such as rescue/evacuation procedures, emergency accommodation and food supply, medical/health services and monitoring and communication systems. The fourth phase is *immediate*, a point where the short-term needs of people to restore services and make it normal live. The next phase is *recovery* in long-term process. It includes the repair of damaged infrastructure, rehabilitation of environmentally damage areas, and trauma centre for victims, and new strategy to promote the area. The last phase is *resolution* means routine activities to improve the establishment (Ritchie, 2009).

## 2.2. Community Based Tourism Dealing with Disaster

In the late twentieth century, the term of community based disaster management has risen. In fact, government in many countries has used citizen participation for disaster response. The government has promoted the community-based disaster management concept to their citizen through different programs. Community based disaster management approaches can be built through physical support and psychological support. The physical support means by providing the facilities and infrastructure that are needed for the community related to disaster prevention. Hence the psychological support can be provided by developing the local resources, providing training and capacity building, upgrading the local structure and institution (Arora & Arora, 2013). In term of developing the community based disaster management approaches government intervention is much known rather than community initiative.

Management destination is different between community based tourism, government based tourism and private sector based tourism. CBT mostly concern on the involvement of the host community in planning and maintaining tourism development in order to create a more sustainable industry (Hall, 1991). The tourism industry is based on the participation of local residents, for example they role as employees, local entrepreneurs, guides and on resident friendliness towards tourists. The tourism literature mostly mentioned that the tourism would be more success when the residents support (Blackstock, 2005). The statement is also reinforced by many scholars that CBT would create sustainability, contribute to social justice, values for empowerment, open access for community to control the political and economic process in their environment, develop emancipatory collective responses to local issues (Gilchrist, 2003; Ife, 1995).

## 3. METHOD

The study applied the qualitative analysis through interview toward stakeholders and villagers. Library research and recording through audio and visual were also used for this study. Since quantification and categorization of data in tourism studies have been criticized as a tedious attempt to refine what is already known rather than creating knowledge along new frontiers (Coalter, 1999). The data collecting and analysis were carried out gradually as follows: library research, observation, photography, tapping and interpreting and in-depth interview.

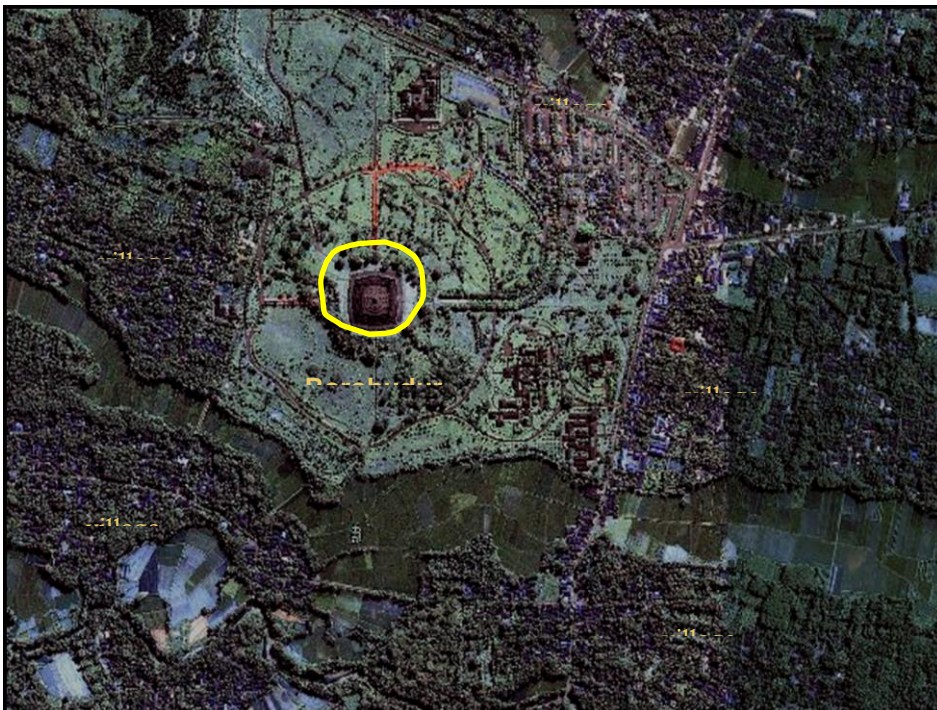
Moreover, since the study of tourism is considered a social process the deeply understanding are important. For this study, qualitative methods are well suited. Several methods are used in the study in order to obtain the data and information from various related sources. The data collecting and analysis are carried out gradually as follows:

- Library Research is carried out the previous study. This method also examines the secondary data and its relation to macro and micro context of development that influence to environment and tourism. The study materials used are various sources of reference, such as books, scientific articles, and research reports.
- Observation is the method to collect the data of objects, products, and services related to the study area. Field survey was conducted in the Candirejo Village. It is an effective method of field survey in gathering the data of observed object behaviour. The observation was documented visually by using camera for two and three dimension of visualization.
- Photography, tapping and interpreting have conducted to capture the pictures and video of the objects. The document would be very important to support the report, presentation and for the publication purpose. Moreover, the process editing the video would be completed as part of the phase of the activities.
- In-depth interview is conducted to obtain more specific and explanative information of the study. It selected several informants for in-depth interview (n = 15). The information becomes the materials to complete the

data. To help procuring the accurate information and to guarantee a systematic data structure, the interview guidelines, which has been arranged, are used. Its aim is to facilitate the researchers to crosscheck the data to the data gained by other instruments.

The cases study is applied in this research. The author examined the Candirejo village tourism as the case study area. The village tourism was impacted by the natural disaster, Merapi volcano eruption in 2010. This village is selected because it has the interesting root of community-based tourism, as the pioneer and most successful in Borobudur temple surrounding area. The interview was conducted at December 2013, however researcher observed the study case location since 2010 to 2013. The respondents for interview were selected based on snowball system. The first respondent was the community leader in Candirejo. After that, researcher went to the management of Village Tourism Coop and conducted interview with the people in charge, interview the tour guides and homestay owner were also conducted. Author interview the Tourism Board in the Regency of Magelang for clarification and data resources. Researcher joined the tourism package acted as tourists to experience as the tourist in the area. Author stayed in the village for three days joined the tourism package. Moreover, the analysis method used in this study is qualitative descriptive analysis. The data are analysed by interpreting the tendency and the concentration of the informants' statements on the raised issue (in data collecting instrument). The location of Candirejo village tourism can be seen in the pictures below:

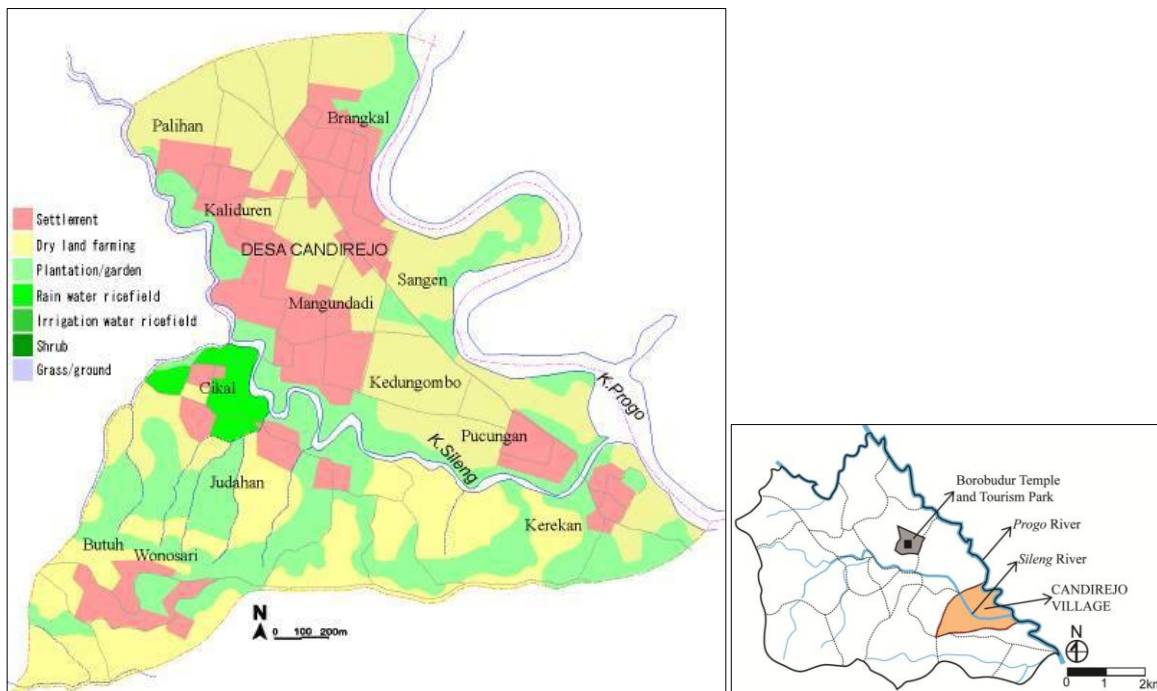
Fig 1: Several villages surround Borobudur



Source: Google map with modification, 2015



Fig 2: Land Use in Candirejo Village Tourism



Source: JSPS UGM and Ritsumeikan University Report, 2013

The research is expected to result the examination of community-based management in emergency case, recovery and preparation in the village that becomes a tourism area. It using the seven key parameters follows the disaster lifecycle phases by Baker. Several notions have been drawn based on the key assessment framework including: individual and community level responses, livelihood alternative beside tourism, uneven access to economic capital and insurance, lack of disaster awareness and preparedness, tourism recovery policies, resilient market and clientele and effectivity of community based tourism disaster management. The selected key parameters are related to the chronological occurrence of the disaster, which then being applied to the fact in the field.

Table 1. Key assessment framework

Disaster Lifecycle Phases	Key Parameter	Explanation
Emergency	individual and community level responses	Shows the responses of each individual towards Merapi volcano eruption and the respond of community level
Recovery	livelihood alternative beside tourism	Examine the alternative for living beside tourism in the Candirejo village tourism, whether community have exit strategy on living
	access to economic capital and insurance	Investigate whether the community including the local business, homestay owner, and tour guide have

		access to capital and insurance after the Merapi volcano eruption
Prevention	disaster awareness and preparedness	Examine what have been done in preparing the village from next disaster possibilities in the future
	tourism recovery policies	What have been launched by the local government and national government related to the tourism recovery policies after Merapi Eruption
	resilient market and clientele	Indicate how the market and clientele back to Candirejo after disaster, how they come back and what are the stimulation to make them come back to Candirejo
	effectivity of community based tourism disaster management	Final examination about to what extend does the community based tourism capability to deal with disaster, in adaptation or resilience.

#### 4. RESULT AND DISCUSSION

##### 4.1. CASE STUDY FINDINGS: CBT DISASTER MANAGEMENT OF CANDIREJO VILLAGE

Geographically, Indonesia is located at the ring of fire, which is rich of the active volcanoes, the subject to frequent eruption. It put the country in the up position in much volcano statistic rank. It has 147 active volcanoes. Indonesia has the largest number of historically active volcanoes (76), its total of 1,171 dates eruptions (Volcano discovery, 2014). Indonesia volcanoes mostly part of the Sunda Volcanic arc, which stretches over 3,000 km from northwest Sumatera to the Banda Sea. Furthermore, the volcanic arc is resulted from the subduction of Indian Ocean crust beneath the Asian Plate.

##### *Overview of Candirejo Tourism Village*

The Candirejo Village is located in the Regency of Magelang, which is one among villages in the surrounding area of Borobudur Temple World Heritage Site. Administratively, Candirejo Village is located in Borobudur Sub-district, about three km south east of Borobudur Temple. This village is now known as one of village's tourism in Borobudur area. With the area of 366.25 hectares, the number of population is 4,133 people (1,153 households) scattered in 14 hamlets, which are: Kedungombo, Sangen, Brangkal, Kaliduren, Butuh, Wonosari, Ngaglik, Judahan, Kerten, Cikal, Palihan, Mangundadi, Pucungan, and Kerekan.

Candirejo Village is an agricultural based village, with the village people mostly work as farmers. With the topographic character, alluvium type of soil and tropical climate, Candirejo Village has fertile land. The land is mostly used as settlement and agriculture farming, including paddy field, dries field, and plantation. Paddy field is a wet farming that uses irrigation water, whereas dry field and plantation depend on rainwater. Mostly chilli, tobacco, cassava are planted in the dry field, and plantation is mostly papaya, rambutan, and various productive trees.

Since 1999, the government of Magelang has been promoting Candirejo as the tourist destination based on village attraction. Afterward, Candirejo have been visited by hundreds of tourist every year. The main attraction of



Candirejo is the living culture. It provides unique package for tourist to get high value of experiencing the Javanese local culture, include enjoying the landscape, traditional transportation vehicle, traditional housing, local culinary, and performance. Community is trained to serve the different niche and types of attraction for tourists. They organizes 50 local houses as homestays that open for visitors at any time, both include in package or separate order. Community also provides the cultural workshop package such as cooking classes, batik classes, performance and others. In addition, the destination is supported by the facilities such as transportation, telecommunication, medical centre and accommodation. They are selling the home industry products such as bracelet, wood fan that mainly used as souvenir for tourists. Furthermore, the Candirejo village has been known as the tourist village destination, and currently the tourism activities influence the variation of local people income (Dwipayana, 2013).

Table 2. The number of foreign visitors to Candirejo village 2003 – 2011

Year	2003	2004	2005	2006	2007	2008	2009	2010	2011
	43	61	611	644	1056	1424	1796	1872	3063

Source: Candirejo Village Tourism Coop report, 2011

In term of tourist attraction element, Candirejo has strong natural and cultural aspects that are important to develop a tourism activity. In addition, this village is easily accessible as it is only three km from Borobudur Temple or about 1,5 hours from Jogjakarta by car. According to Fatimah (2012), the tourism development phases of Candirejo can be divided into four phases. First was in 1980 – 1990 as agriculture development. It was characterized with the cleaning activities by cutting unnecessary and overcrowded trees (i.e. bamboo, coconut, jackfruit, etc.) inside their settlement area and replaced them with more productive trees (i.e. *rambutan* and papaya). The second phase was cultural improvement and community empowerment in 1991 – 1998. After the vegetation replacement program had done, some improvement programs on nonphysical aspects such as managerial skill, art, craft, and home industry were also carried out. The third phase started in 1999 – 2003, called tourism formation. The villager contacted the PATRA –PALA Foundation and then supported by JICA in 2001 – 2004 they got assistance from PATRA-PALA Foundation whose project was called NRM-LCE. During the assistance program, they developed the concept of “Community Based Ecotourism”. The last phase started from 2003 up to now which is called as independent phase. Candirejo Village was then designated as village tourism in 2003 by Ministry of Culture and Tourism Indonesia. Since then, the number of visitors has been increasing especially foreign visitors (FATIMAH & KANKI, 2012).

Since Candirejo declared as tourism village, the activities in the village have been cultured with the tourism activities. The role of institution is very important in term of Candirejo village development. The community members of Candirejo established the Tourism Village Coop (*Koperasi Desa Wisata*), as the local institution to manage the tourism activities for the village. In this program they manage village tour packages such as village tour by bicycle, walking or *andong* (traditional horse carriage), sun rise trekking to Watu Kending Site in the top of Menoreh Hills, cooking lesson, lunch in traditional house, homestay, etc. The tourism activities provide the opportunities for local community as the business actors. However, it is noted that the number of people taking the opportunities are limited, the majority of people remain working in agriculture sector.

Although Candirejo offers a lot of unique attractions, in term of tourism the main attraction to this area is the existence of Borobudur temple. Consequently Candirejo is very dependent on Borobudur temple. It has been a magnet for tourist to visit the complex of the temples, which include *Mendut, Pawon, Ngawen, Canggal temple, Gunungwukir, Selogriyo, Gunungsari, Lumbung, Pendem and Asu* and there is a Museum called Senirupa Museum as a part of the tourist destinations in the complex of Borobudur.

## DISASTER RISK IN CANDIREJO TOURISM VILLAGE

Candirejo Village is situated on the foot of Menoreh Hills in the south side, while the north side is bordered by Progo River. A small river called Sileng River flows in the middle of the village. With this location, topographically this village has two types of land topography, hilly area on the south side and plain area on the north side, with the land height ranges from 100-600 meters above sea level. This combination of physical characteristic follows the natural disaster risk. The types of disaster experienced by Candirejo Village are volcanic eruption, storm and erosion. The storm or *angin ribut* (in Javanese language) have been remembered that it usually occurs during the rainy season. Furthermore, according to one of the respondent the last storm was in March 2013. The storm swept Butuh Hamlet, broke seven houses and caused two houses completely collapsed. Storm mostly happens in the mid-season, between dry and rainy season called *pancaroba*. Another type of disaster in Candirejo Village is erosion or landslide (*longsor* – in Javanese language) that has been experienced by the hilly areas in the southern part of the village, and areas in the riverbank that have steep slopes.

In October 2010 the Merapi Vulcano in the Province of Yogyakarta and Central Java erupted and gave its impact to physical aspect, civilization and economic changes. Historically, Merapi volcano was recorded that in 1006 there was a huge eruption made the volcanic ashes and materials covered Borobudur area including the Borobudur temple. The eruption of Merapi Volcano actually happened many times before that time (van der Zwan, Froukje M, Chadwick, & Troll, 2013) mentioning that from 1050 BC to 10 BC, there were two times of mass eruption of Merapi Volcano with the maximum pyroclastic volume up to 370 million meter<sup>3</sup>, with volcano explosion Index (VEI) was 4. From 10 BC to 300, there were two time eruptions; in 1170 there were eight eruptions; and in 1950 there were nine eruptions with VEI 3 and 4. One can be drawn that massive Merapi eruptions happen in every 150 to 500 years with the average of 400 years. Those Merapi eruptions have influenced the character of geology, landform, soil type, and hydrology of the area. Those eruptions also became one of the reasons that *Old Mataram Kingdom* in Central Java moved to safer place in East Java in 10 Century. In 1584 it was also recorded a big earthquake hitting Borobudur area that changed the landscape of the area. In 14 February 2014, the Kelud volcano erupted. Kelud volcano is located in the Province of East Java for about 200 km from Candirejo village. However, the ashes of Kelud volcano reached the village including Borobudur area and surrounding temples such as Pawon and Mendut. Due to the ashes from Kelud eruption Borobudur should be closed for tourists. Although the Kelud eruption was not in peak season, it was reported that a lot number of tourists postpone their visitation to Candirejo.

### 4.2. COMMUNITY REACTIONS TOWARD MERAPI VOLCANO ERUPTION

#### **Emergency Phase**

Candirejo area is considered as a safe and stable area from disaster. In 2010, when Mount Merapi erupted, the ash covered the whole area including the Borobudur Temple up to three cm. Even though the village and surrounding area experienced the impact from Merapi ashes, and it was mentioned that 2010 eruption was the biggest Merapi eruption in the last 100 years, there were no human victims reported in Candirejo. The sign of eruption had been detected by BPPTK (*Balai Penyelidikan dan Pengembangan Teknologi Kegunungapian*) the Office of Volcanology Research and Development, and it had been informed to the community. In September 2010 Merapi showed a lot of physical changes and the eruption signs increased. Finally, on 28<sup>th</sup> of October 2010 Merapi erupted by outpouring of lava and spraying of volcanic ash. The eruption that happened for about three weeks destroyed 76 villages in two provinces, Yogyakarta and Central Java. Due to the high volume of ashes, the Borobudur temple should be closed for visitors. Closing Borobudur created problems for Candirejo, which was the beginning of crisis. The

number of tourists visiting Candirejo dropped significantly and even there was no tourist visit, it was only several researchers of government officer visiting the village to check the condition of the people.

Merapi eruption at 2010 impacted negatively to the villager's activities. The loss from Merapi eruption 2010 was reported in Rp 4,23 trillion or USD 430 billion, which 39% loss was settlement, 13% of water and irrigation, 43% is agriculture, and 12% was industry and small medium enterprise industry. In agriculture sector, the ashes covered the vegetation including the paddy field and others crops. It was reported that there was *silica*, *quarts*, *cristobalite* or *tridimit*, chemical substances that harmed the vegetation (Supriyati, 2010). After one day covered by the substances, the vegetation became dry and dies. Moreover, the crafts, home industries and tourism were reported dropped. Figure 3 shows the Merapi ashes covering the street and vegetation.

Figure 3: Merapi Ashes covered street and vegetation



Source: JSPS UGM Risumeikan report, 2014

Figure 4. Volcanic ash covered the temple and surrounding area; cleaning the temple



Source: JSPS UGM Risumeikan report, 2014

Emergency response requires reliable communication, coordination and delivery of service. Based on the interview in the case of Merapi volcano eruption 2010 the community had very limited knowledge on how to do something with the ashes. Since the previous eruption in 2006 did not reach Candirejo. The community did not pay attention to the risk of eruption at 2010 because they thought that the ashes would not harm Candirejo. Government through the BPPTK informed the community to prepare for the worse case for people living in the closest area to Merapi especially in the 5 km zone from the cone of volcano but not for Candirejo.

Hand in hand, the local community and PRB worked together to help those victims. PRB looked for the help from *Badan Penanggulangan Bencana Daerah/BPBD* (Local Disaster Reduction Board) Magelang in the forms of food materials and basic needs (rice, sugar, oil, etc). The local community, then, voluntarily helped to rebuild the collapsed houses. They collected money and building materials such as bamboo, timber, stone, and so on. In the

construction process, the men voluntarily worked as construction workers, and the women (wives) prepared food and drink during that time. This is the type of *swadaya* and *gotong-royong* (community self-help with local resources and mutual cooperation).

It was reported that number of tourists groups cancelled the tour package to Candirejo. Some of them were postpone until the condition was getting better, and some of them were cancel due to the force major. At that time villagers used the spare time to clean the house and environment from ashes. The condition in the village was not only the main reason. The airport of Adi Sutjipto Yogyakarta was closed for two weeks in respond to the eruption. It was reported that the ashes could endanger the plane engine and created major disruption, it forced 2,467 flights were cancelled (Mei et al., 2013). Therefore, automatically a lot of tourism packages were cancelled or postponed.

### **Recovery Phase**

Recovery process of tourism activities in Candirejo could not be separated from the recovery process of Borobudur heritage sites. When the Borobudur Temple was covered by volcanic ash from the Merapi eruption, the local community of Candirejo and PRB voluntarily involved in the temple cleaning activity. The volunteers were from Buddhist organization members, hotel employees, tourist guides, vendor sellers, students, tourists and community surrounding areas. The cleaning itself was not the simple task. There was certain meticulous process of cleaning the detailed of the temple. The steps were to clean the dust by sweeping the surface and to do wet cleaning using water in each pores of the temple. In the process of cleaning as part of recovery, the management opened voluntary action from the community including Candirejo community. Their sense of belonging that Borobudur Temple is a part of their life encouraged the people to save the temple from the disaster. They left their works for a couple of days, and hand-by-hand cleaned the temple stones from the ash without payment. The cleaning process was focused on the temple that was done by the government and community.

Figure 6. The cleaning process of Borobudur area



Source: JSPS UGM Risumeikan report, 2014

### Prevention Phase

In Candirejo, there is a community groups called PRB (*Pengurangan Resiko Bencana*). The organization is basically developed by the national government under the programs from BNPB<sup>6</sup> (National Board of Disaster Preparedness). The BNPB has established local community groups in order to strengthen the community preparedness in the area including Candirejo as study area. The village residents have a regular community forum called *selapanan* in which they discuss any problems occurred in their village. This meeting is also called *rembug desa*, which means 'village meeting'. The forum is held every 35 days, either in village level as well as in the hamlet level. Actually there are other meetings such as *arisan* and *pengajian*; those also become gathering moments in smaller group such as in level RT<sup>7</sup> or RW. There are several main organizations (LSD/LPMD, BPD, PKK, POKJA) that form the institutional framework of Candirejo's community system.

Establishment of local groups, communities and council helps to empower local communities politically in term of disaster management. Based on the data from the Village Office in 2013, the number of population in the Candirejo was 4,618 people that consisted of 2,326 male and 2,293 female, with 1,384 households. In addition, there were 584 people unemployment and the rest were working in public sector or private sector. The education level of the villager mostly dominated by the elementary school, and the second dominant was junior high school level. Hence, there were 1,446 people who never got education. They were mostly some senior citizen and kids.

The existence of PRB enhances the information access to locals, which contributes to social and political empowerment. The PRB regularly updates and publishes information in various forms including pamphlets, resource maps, etc. They disseminate the information to the general public, tourists in the village and visitors. Furthermore, information can be obtained from various individuals and organizations upon request. Information directly or indirectly helps to create awareness of the importance of disaster preparedness in the tourism area, and helps to maintain creativity. There are some specific awareness activities mainly focused on the disaster preparedness such as mitigation education, evacuation road information, street sign and several disaster simulations.

The involvement of NGO had been reported in prevention phase. REKOMPAK an organization funded by Japan Relief Foundation (JRF) the World Bank supported the community in disaster risk preparedness. Three Borobudur villages (Candirejo, Wanurejo, and Borobudur) were chosen as villages considered to be able to have a community's organization in disaster risk reduction and preparedness, based on their high community awareness in disaster risk preparedness. REKOMPAK gave training to a number of people from those three villages in 2010, and 50 people from Candirejo Village involved in that training. After the training, a community-based organization in each village was set up formally, called a Disaster Risk Reduction Team (*Tim Penanggulangan Resiko Bencana/PRB*). At this time, Mr. Suphadi, a village office staff, leads PRB Candirejo with 50 trained members from 15 hamlets in Candirejo Village. One month after the Merapi eruption in 2010, PRB conducted a simulation on disaster evacuation for all the households of the village community, with the support funding from REKOMPAK. In the disaster evacuation

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<sup>6</sup> BNPB is abbreviation of *Badan Nasional Penanggulangan Bencana*

<sup>7</sup> RT (*Rukun Tetangga*) is a smallest community group in neighbor environment, which usually consists of 20 – 25 households. RW (*Rukun Warga*) is the bigger group formed from some RTs. RT and RW group system usually has their own informal rule for their community daily life.



simulation, the village community showed their enthusiasm in every activity. The high community awareness in disaster risk preparedness and evacuation was also seen in this simulation. This simulation is very important for improving the understanding and awareness of the village community in disaster risk reduction, disaster risk preparedness, and disaster evacuation.

**Figure 7.** Community Meeting in house of community leader (left) and in sub-district office (right)



Source: JSPS UGM Risumeikan report, 2014

PRB has a routine activity, which is to socialize to the village community about how to handle the risk of the disaster, how to reduce and prepare those risks, and how to evacuate when the disaster happens. PRB actively gathers the village households twice a year to give that socialization, and actively attends the community meetings once a month for the same thing. PRB with the help of the community also has already prepared the evacuation route map and some evacuation signs to be put in several places. It would enable the community to be aware of hazard mitigation, strengthen their capability to resist natural disasters, and develop an organization in order to carry out sustainable risk reduction actions.

**Figure 8.** Evacuation Route Sign and Community Gathering Place which first was purposed to disaster evacuation



Source: JSPS UGM Risumeikan report, 2014

The last program of the government implemented in villages is the provision of the final disaster evacuation place, in the form of an evacuation building. Three final evacuation buildings were built in Candirejo, Borobudur, and Wanurejo Villages with the funding from *Badan Nasional Penanggulangan Bencana*/BNPB (National Disaster Reduction Board). This two-storey building is for evacuation of the community when there is a disaster. The location of the building is accessible for the village community, easy to reach from every direction of the village area. In Candirejo Village, the location of this evacuation building is on the side of the main village road. The village prepared the site and it was administratively the village land. Since it is a public building, village people can use the building

for public activities, such as village meetings and various social activities. It is therefore, when the disaster does not strike the village the building is not useless because villagers can use it for community gathering purposes such as weeding, meeting, and party.

Based on the interview and observation, which was conducted in December 2013, the result showed that the village community had strong awareness in disaster risk prevention, particularly after the big Merapi Vulcano eruption in 2010. This was proved by their strong knowledge of disaster. However, in term of organizing the awareness into the more formal organisation, the government has supported the villager. Government influences the local leader to establish the organisation, which is not directly linked with the tourism village organisation. The government intervention can be seen from the funding support to build the evacuation place and to conduct the simulation and training. Although the village communities have strong awareness, they are lack of right action on how to prepare themselves from the environmental disasters.

Due to the lack of linked between disaster preparedness organisation and village tourism coop in Candirejo, the information and preparedness for tourist have been neglected. There is almost no direct program to the tourists such as giving the knowledge for tourists about the risk and how to deal with the risk. It is however; tourists could see a lot of signs in the village environment, which then they can initiate to ask to the tourist guides.

#### **4.3. Assessment of capacity of CBT dealing with crises**

##### ***Individual and community level responses***

The immediate occurrence of the disaster community responses might take one of several broader courses; to protect (prevent or modify disasters), to accommodate (change human uses system to suit disaster), to retreat (resettlement elsewhere) and to do nothing. The capacity of the community influences the responses (Weng Chan, 1995). Granot (1995) assessing the community's resilience which came up with the result that a more than appropriate level of relief involves wastage and the unnecessary straining of resources, while insufficient external support will exacerbate the effects of the disaster (Granot, 1995). Moreover (Geipel, 1982) develop ranking of community impact as below:

- communities which have not suffered and therefore have the capacity to support other which have
- communities which escape with only limited loss of life and property, community system remain largely intact and normal built – in elasticity of resources permits self-recovery
- communities that sustain so much damage that they can only recover with outside help. With such help their own systems are capable of coping and ultimate recovery
- communities that are devastated so much that community system collapse

In understanding the responses of the community, we can make categorization based on the level of responses, such as individual level responses and collective responses. According to Booth (1993), in sociological concept the immediate responses to a disaster shock have been observed as including several phases: (1) sense of helplessness and disorientation. The community may responses the shock by disorientation and helplessness, which motivate them to do not accept the condition, (2) denial or defensive retreat. This response would push community both individual and collective action to evacuate themselves from the affected area, (3) community accepts the reality and the condition of changes, and (4) community adapted and learn from the shock, which then create and build a new method to deal with the disaster in the future. In the case of Candirejo village the community mostly accepted the reality and condition of changes. About five to ten families left the area just for evading the event in several

days, and back to the village after the situation get better. There was not families have to move because of the Merapi volcano. Furthermore, phases four which community adapted and learn from the shock which then create and build a new ways to prevent from disaster can be seen in the Candirejo village. With the communal ways, they gathered themselves to build the group of '*Team Penanggulangan Resiko Bencana / PRB*', team to minimize the impact of disaster which then being supported by the government, as mentioned earlier in the section 4.2.

#### ***Livelihood alternative beside tourism***

One of the strategies to deal with tourism vulnerability is having the alternative livelihood. In Candirejo village, tourism is meaning as alternative compare to agriculture, which the main population is working on agriculture based such as paddy field, papaya, rambutan and cassava in dry field plantation. Even though tourism created new opportunities for people to start up business that provided jobs, the agriculture sectors should not be dismissed because the other option is important in dealing with crises. As the option, agriculture is facing challenges by the number of land use changes from agriculture to human settlement. Which this challenges are not only reduce the number of paddy field and opportunities as escaping ways from tourism vulnerability, but also increase the risk due to the decreasing attraction. The Candirejo village is known because of its living culture as agriculture based livelihood.

#### ***Uneven access to economic capital and insurance***

For the whole Indonesia the insurance is not being emphasis as main program, especially at the time when the volcano eruption happen at Yogyakarta and Central Java. State managed insurance is provided for civil servant only, which for non-civil servants are the market for private insurance. However, the insurance provided mostly for health insurance not the business insurance. The community-based tourism is very vulnerable to the risk, which even more risk because there is lack of familiarity of insurance. Larger tourism business may access to outside financial backing and the benefit of insurance policies but for the small business the access for outside financial is limited. In addition, the worker, such as local tour guides, homestay owner, horse rent who have no land as alternative, faces the impact. For the homestay owner, they have to expend extra fund to clean and rebuild the house if it necessary.

#### ***Lack of disaster awareness and preparedness***

In Candirejo village CBT, the community through cooperation organization as form that selected by the community manages the tourism. The community capability to predict and assess the risk of disaster is very limited. Although the cooperation organization tries to develop the rules, which provide the right and obligation of the member, it forgets about the research and mitigation toward the risk of disaster. It is therefore, community have lack of disaster awareness and preparedness. The information of the intensity of Merapi volcano activities has been reported by the government, however the necessary action was not being taken by the tourism cooperation organization. This demonstrates that although there is warning but awareness was very low and does not follow by preparedness in term of individual level and communal level.

#### ***Tourism recovery policies***

Following the 2010 Merapi Eruption, the government of Yogyakarta and Central Java conducted several promotion programs to get the tourists back. The Province of Yogyakarta worked together with the Ministry of Culture and Tourism help media conference request the media to help recover the image of tourism in Yogyakarta. According to Haryadi, Mayor of the City of Yogyakarta, there was potential loss about 2,7 billion



rupiah due to eruption in tourism sector. Opening of the airport two week after eruption helped the recovery process for the whole province. The private sector called back their clientele and informed that the situation was getting better. Government promoted Yogyakarta by launched a program '*Ayo ke Jogja lagi*' means, "Come back to Jogja Again". The effort gain the success which I agree to the statement from Oliver and Smith (1996) that disaster outcomes can also create opportunities for political reorganisation, solidarity and activism, and social transformation (Oliver-Smith, 1996). In the community of Candirejo, much of Candirejo resilience is based on the strength, self-organization and adaptive capabilities of local groups.

### ***Resilient markets and clientele***

The Candirejo market is strongly influenced by the existence of Borobudur heritage site. The opening Borobudur heritage site means open the gate of tourists to visit Candirejo. Although the mostly domestic tourists as market but international tourists slowly starting increase after the disaster. Previous clientele such as group trip of companies were coming back in the next year after the disaster and continuously increase. In addition, the tourists were interested to see the impact of Merapi Eruption in this area, which then become new attraction.

### ***How effective of Community Based Tourism Disaster Management***

Research about Indonesian communication linkage around Merapi conducted by D.Bakkour et al mentioned that the administrative levels and the communication chain in the area of Mt. Merapi is connecting scientist, government administrations, private organizations and the public (Bakkour et al., 2015). According to the Law of the Republic of Indonesia, no. 24/2007 the risk mitigation as well as funding sources for disaster management is placed under the supervision of the President of the Republic in order to manage all types of natural and manmade disaster. The president directs the power and legitimacy to the National Board for Disaster Management (BNPB), which is represented by local agencies name BPBD (Local Disaster Management Agency). It is however the BNPB would not working separately with other institution, it cooperate with National Army, the National Police, Basarnas (Indonesian Search and Rescue) and PMI (Indonesian Red Cross). It cooperates with Ministry of Social Affairs for manage displaced persons. In term of mapping the risk areas, it works together with BIG (National Bureau of Spatial Information) and departments and agencies to deal with special risk. BNPB cooperate with the Ministry of Energy and Mineral sources to provide the early warning system in case of disaster, and BMKG (Meteorological, Climatology and Geophysics Agency) for the warning from geological risks, the Ministry of Public Works, the Ministry of Agriculture, the Ministry of Forestry, LAPAN (National Space Agency) for hydro-meteorological hazards, supported by researches conducted by the Ministry of Research and Technology, LIPI (Institute of Science) and universities. Furthermore, in term of disaster risk reduction education purposes, the BNPB collaborate with the Ministry of National Education, Ministry of Religious Affairs and the Ministry of Communication and Media (Bakkour et al., 2015).

Community based tourism concept have been introducing by many scholars with many positive views. However the limitation and the strength of the community based tourism in disaster response is limited to be discussed. There is a mix sometimes when discussing about the disaster management in tourism areas, between government-based destination, private based destination and community-based destination. In community-based tourism, the characteristic is very different with the other management scheme. The bottom up planning in tourism development have seen as the right ways to do the planning, however in the disaster situation the bottom up planning is questioned in term of effectively, empowerment and who get most benefits. There are some critiques of community based tourism wrote by many scholars. For example the CBT literature is focused on sustaining the tourism industry, unlike community development commitment to social justice and empowerment.

Another critique is that the proponent do not asking the development of a tourism industry but try to find the ways to make tourism belong to local residents, which the residents who reject tourism development are counted as ignorance (Blank, 1989).

The literature on CBT has three major failing from a community development perspective. Firstly, it tends to treat to take a functional approach to community involvement, secondly, it tend to treat the host community as a homogeneous bloc, and thirdly it neglects the structural constrains to local control of the tourism industry. Attention to these issues could contribute to a more sustainable and equitable industry. Community has an important role to play in community-based tourism. However, community-based conservation as a panacea, like government-based conservation as a panacea, ignores the necessity of managing commons at multiple levels, with vertical and horizontal interplay among institutions.

Based on the interview, the community believed that local community initiatives are supreme in developing the tourism. They mentioned that the higher participation of the community in tourism development would increase the change to success. This statement is followed by the understanding that in disaster management, the community participation is not enough, they need support from external factor and higher level of involvement such as from neither local government nor national government. The initiation of Candirejo development come from the government push by developing the village, giving the support funding, providing capacity building, investing facilities and infrastructure, and open network with private tour operator. Moreover, it is evident that Candirejo village tourism has been driven solely by government intervention with supported by various organisation that play role in development. Blackstock (2005) mentioned that the support organisations should conduct appropriate methodologies for instance PRA or rapid rural appraisal (RRA) to map out the strategy to cope with disaster. It helps the community to define their needs and develop the priority. Moreover the results of this agenda mostly success when these several factors are achieved such as awareness, sensitisation, community empowerment, leadership, capacity building and an appropriate policy framework (Blackstock, 2005). Similar with the development of CBT itself, the disaster management is part of the CBT development, therefore local communities and their leaders need to be adequately sensitised and empowered.

## **5. Conclusion**

A natural disaster can affect to the local tourism industry in numerous ways. In order to understand the disaster event with relation to tourist destination, consideration of the concept of disaster lifecycle and destination lifecycle including prevention, preparedness, responses, recovery and mitigation is important. The disaster event that brings impact to the damage facilities and infrastructure triggers negative impact toward media stories, which have long time influence to the tourism market. The community-based tourism (CBT) faces challenges in order to deal with the natural disaster. Community has an important role to play in community-based tourism. Community-based conservation as a panacea, like government-based conservation as a panacea, ignores the necessity of managing commons at multiple levels, with vertical and horizontal interplay among institutions.

The research shows that community has local knowledge in the mitigation of natural disaster however the local knowledge has a limitation regarding on the exact time to take an action, which mostly waiting from the government instruction. Some village-based tourism, which mainly managed by the communal activities, tends to wait from the government help. While the village community has strong awareness, they are lack of knowledge and understanding on how to prepare themselves from the environmental disasters. Safety and evacuation systems in the village have not been developed yet. The insufficient community-based disaster management knowledge,

guidelines and materials still become significant problem though. The lack of sustained support from government makes the community based disaster management concept hard to put into action.

In post disaster phase, the role of government and NGO was bigger than the community. Several programs have been established to Candirejo as a respond to decreasing numbers of tourist. Government and NGO have also introduced the number of capacity building program during the recovery action. However, the actions are included as a program based that means the program does not conducted regularly. Residents who have been experience the damage tend to join the activities however the other residents have less concern about natural hazard because it is something not necessary.

I found that it is important to provide regular education on natural hazards, and steps that can be taken before, during and after disaster event as well as follow up training in order to raise or maintain public awareness, skills and knowledge. The development of specific educational materials targeted at different community characteristics is also necessary as well as the need of advisory team to guide the Candirejo. Combining the disaster management program with community development plan in order to keep public interest in hazard mitigation also becomes a significant matter. Moreover, the future research is recommended to look for the opportunities to incorporate disaster management concepts and community empowerment into sustainable development.

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THE PATTERN OF MASS TOURISM AND THE RELATIONSHIP WITH LOCAL RESOURCES. THE PATTERN OF ENDOGENOUS DEVELOPMENT

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**ABSTRACT**

The product of hotel consists of a combination of services and commodities. The cultural experience is the result of a mixture of these elements. But the location is the one that provides the specific product with characteristics for each unit.

The standard of Greek tourism product (3S) was bound to mass tourism for years. Local resources were exhausted by this standard and areas been developed in an anarchistic and uncontrolled way. Endogenous development can be a proposal to solve the development problems caused by the previous policy.

“Amalia” hotels group is one of the oldest hotel chains in Greece and includes six luxury hotels located in different touristic destinations, founded during a period of 35 years. Through this 35years long period, the touristic model has been altered, following the developments in transportation technologies (means, information technology, telecommunication, digital communication), as well as social achievements (working rights, social security). These developments took place simultaneously with the tourist product and differentiated the meaning of travelling and hospitality.

The three hotels chosen as case studies in this paper are the following:

“Amalia” Hotel of Athens City (1956) a building subsumed into the modernism movement within the frame of holistic design and qualitative tourism.

“Amalia” Hotel of Olympia (1979) is constructed in a period in which the turn to mass tourism model was completed. Nevertheless, the hotel remains focused on qualitative tourism, which is the “Amalia” hotel group's strategy.

“Amalia” Hotel of Kalambaka (1991) is a building where the architectural design introduces certain elements from the local traditional architecture. During this period the touristic model was transformed from mass tourism product to quality customized tourism product.

The methodological tools for this research are the use of archival material (photographs and architectural plans), interviews and PEST analysis method concerning the characteristics of the touristic models, in order to establish a connection between the hotel environment (macro-spatial parameters) and the intertemporal transitions of the Greek Touristic models. These are connected, in our point of view, with the architectural analysis of the case studies, which will reveal the relationship between location, product and model. In conclusion, we consider the adjustment of the local economy according to the characteristics of endogenous development.

**Keywords:** *hotel architectural design, tourist facilities, local tourist resources, hotel space and touristic model, Amalia Hotels.*

## 1. INTRODUCTION

The period following the termination of the Second World War and the Civil War, Greece multiply injured (socially, economically, politically, ethically), is directed to Tourism industry as a springboard for reconstruction. The years that followed, international developments consolidated tourism as one of the sectors with a higher participation rate in GDP<sup>i</sup> growth, now estimated at 20%. The characteristics of the association and the involvement of other sectors in the production of the Greek tourist product are the connecting factors with the increase of the level of development achieved in the past.

Rising incomes and increased leisure time, improved transportation, the "industrialization" of the tourist production by multiplying the travel organizations and tourist guides, the abolition of borders, the status of lasting peace, the evolution of technology information and, in conclusion, the rise of life standards, were some of the most important factors, that gradually altered the tourist model and signaled a new era with the number of tourists being increased and redistributed in time and place. In the next 20 years (1970-1990), Greece followed the international tourism data, which was constantly growing. Greek tourism reached its peak in 80s, urbanizing basically much of the rural countryside<sup>ii</sup>. In these twenty years the coordinated tourist structured design of the previous period, aiming at the qualitative development model, is weakened and is delivered to an unconditional industrialization – massification of the tourism activity.

Industrialization carries significant load on the infrastructure of the hosting area while uncontrollable building constructions, seasonal character and occasional jobs created conditions of dualism, and one range – sector development model. The peripheral problem and intensity was rather invigorated by the presence of tourism. Local endogenous development may provide a solution to deal with the pathogenic phenomena.

In the late 1980s the first sign of slowing down appears because of the participation in the European Economic Community, the inflationary pressures of this season and the increased costs prices in the hotel market, leading to a shift of the Greek tourism product to options such as new forms of tourism and qualitative upgrading of the existing ones. To strengthen its turnaround, Greece aims to reclaim the 1996 Olympics.

## 2. THE STUDY AREA AND THE METHODOLOGY OF ANALYSIS

The hotel group «Amalia» is one of the oldest hotel chains in Greece and includes six luxury hotel establishments in different areas, implemented on different dates in over 35 years. During the 35-year period the tourism model changes,

along with developments in transportation technologies (means, information technology and telecommunications) and social achievements (labor rights, working hours, social security). These developments, playing a leading role in tourism demand, caused a significant change in the nature of travelling and hospitality. The evolution of tourism demand is investigated and connected to the spatial features of the hotels «Amalia». The study focuses on three of the hotels of the group, where the connection between tourism model of one period to the initial spatial design in the location is attempted.

The methodological tools used is the Political, Economic, Social and Technological (PEST) analysis<sup>iii</sup> with respect to the characteristics of the tourism model, while three of the six hotels of the group «Amalia» were selected as case studies. Specifically, this study focuses on Hotel Amalia of Athens, Hotel Amalia of Olympia and Hotel Amalia of Kalambaka, as they cover the entire period of tourism model development in Greece from 1956 to 1991. The analysis was carried out in a questionnaire (with closed- ended and open-ended questions in combination), architectural study of archival and contemporary photographic material and economic specialization of the statistical processing. The PEST analysis aimed at studying the evolution of temporal stages. The main target of the argument refers to the exploration of the intertemporal course of Greek tourism. Different periods are successive evolutionary phases. These phases are also common and occur worldwide, whereas their components are found universally. The case study method involves an interview with the head manager of the group «Amalia» and questionnaires to the directors of the units surveyed.

### 3. CASE STUDIES

#### 3.1. HOTEL AMALIA IN ATHENS

The group of hotels «Amalia» started as a coaching transportation company «Hermes en Greece», which was acquired from 1954 to 1955, by Christos Koulouvatos, which evolved into «Chat de tour». The idea of extending the company to hotel facilities came from the need to accommodate tourists of high economic status (mainly British and Americans during the first period), who, in the context of cultural experience desired to visit historical and archaeological sites. So the first hotel in Athens was constructed in the area of Syntagma Square in 1957, named after Amalia Avenue, in an district covering the capital, the historic center and the Acropolis. (Figures 5, 6). The hotel was designed and created by the rising architect Nikos Valsamakis, who was appreciated for his actualized work and maintained friendly relations with the owner. The building covers 5556 m<sup>2</sup> area spread over 11 floors (including the basement) in a land plot of 661 m<sup>2</sup>, with a capacity of 194 beds in 97 rooms today.

The architectural design, follows the parallel modern development of Xenia project<sup>iv</sup> with many designing samples of qualitative tourist buildings in the same spirit, having as a main goal the creation of « *creation of standards in hotel resorts*» in selected areas, on the basis of «*offering tourist accommodation in high class hotels, and also showing to private investors the aspired level of the new hotel facilities, that should be constructed in order to develop tourism as the new profitable, financial field in which the state aimed for*». The design of all hotel units, including Amalia Hotel in Athens, in those years conveys the basic principles applied to the overall architectural composition of the shell, the architecture of interior spaces in terms of the form simplicity, natural materials, color and textures, as well as the standardization of furniture and equipment, in a holistic design concept, and with absolute consistency in the principles of early Modernism<sup>v</sup>. In the publication of the architect's drafts (1958)<sup>vi</sup> it is mentioned characteristically: «*The new hotel at the corner of Amalia Avenue and Xenophon street which will be an A class hotel, will contain 98 rooms with bath, including 30 singles and the remaining doubles. On the ground floor, reception area is provided for as well as a restaurant in the mezzanine. In the semi-basement a refreshment bar and a hair salon will operate. There will also be space for the*



*Directorate offices and the cloakroom. In the basement the kitchens, warehouses, air conditioning and central heating units will be located. The bedroom area of 16 sq.m. (space provided for luxury hotels) will be distributed to the rest of the floors. Those located on the facade will have a view to the national garden. In the terrace of the hotel a small refreshment bar is intended for, converted to a dancing area during the summer months».* The building shell has been classified as preserved, a monument of modern cultural heritage, while the interior has been fundamentally renovated twice (1994, 2006). (Figures 1,2,3,4).

The operation of this hotel corresponds to the first period of tourism development, 1950-1960, with Greece coming out heavily wounded both economically and socially of the recent war conflicts. It's a popular destination for tourists of high income and education level, who are mainly interested in the monuments of ancient civilization. The currency devaluation in 1953 had the effect of making Greece as one of the cheapest destinations.



Figures 1, 2: Bar (1963) Source: Archives of Nikos and Maria Valsamakis' Architectural office. Restaurant area (2007) Source: Archives of Christos Koulouvatos



Figures 3, 4: Typical room (1963) Source: Archives of Nikos and Maria Valsamakis' Architectural office. Typical room (2007) Source: Archives of Christos Koulouvatos

The group «Amalia» hotels keeps up with the standard of tourism cultural product, constructing its first city hotel to accommodate numerous visitors and the second one in Delphi in 1963, inaugurating the option of the establishment sites of hotels near major ancient sites - monuments. It recognizes the economic conditions, particularly those of monetary devaluation, and the upcoming rise of mass tourism as an important opportunity. It adopts the trend of "cultural experience", and targets the high and middle income.

The historical center of Athens and the direct approach from the airport of Hellinikon, the nearby major roads that lead to the center of Athens and Plaka, as well as monuments: Herodion, Acropolis, Zappeion, etc, give particular local characteristics to the hotel. Tourists participate either in cultural experience visiting the tourist area Plaka, or seek for entertainment at the shops and nightlife of Athens. The product «Athens by night» is known to those who take the urban center as a city break. The fact of the deterioration of the touristic product of Athens, due to declining of mass tourism packages, the development of charters flights to other destinations and the environmental, functional degradation have led the tourism demand to significant decline.



Figures 5, 6: Facades of Amalia Hotel in Athens. *Source: (1963) Archives of Nikos and Maria Valsamakis' Architectural office, (2007) Archives of Christos Koulouvatos*

As main spatial entity, the historical center of Athens is characterized as «mature»<sup>vii</sup>, it has the characteristics of over-concentration of facilities with significant negative impacts reflected in weak development of tourist flows (arrivals rate, stays). The touristic offer is burdened by the minimal development of existing units and the total lack of innovative infrastructure. The studied hotel upgraded its services as described above. In the functions covered, a conference area has been added, while, as in the initial stage, all the communal functions are also intended for passers-by, not only for its occupants.

The «Athens Amalia» hotel maintains its profitability despite the decline of the importance of Athens as a tourist destination (97% occupancy during high season, 85% low).

### 3.2. HOTEL AMALIA IN OLYMPIA

The third in order of implementation hotel of «Amalia» Group is Amalia of Olympia. Continuing the tradition to better serve tourists who choose the four-day excursions to places of historical interest, the group «Amalia» decides to build a hotel in the area of ancient Olympia and connect it conceptually to the Olympic Games. The hotel Amalia of Olympia was designed and implemented during the period 1977-1979. It has a capacity of three hundred beds and contains one hundred forty-seven (147) rooms distributed on three levels. The architect again is N. Valsamakis, who is in his second design period, and *«has now escaped from the formalist up surges of the past and the solid glass has been replaced by an elaborate game of volumes on the exterior and a sensitively processed interior, respectively with level differences, interpenetration of spaces and wisely scheduled impressions from flight»*<sup>viii</sup>. Lounges, a restaurant, a cafeteria, a conference hall, shops and a swimming pool complete the whole lot covering a total surface of 9700 m<sup>2</sup>. The idea to arrange the spaces in four wings (wing system) around a central patio and the use of the slope to create levels, accomplishes the volume breakdown and its integration into the environment. The purchase of large land plots in the region contributed to this accomplishment aiming, to spread and expansion the complexes which would be built in small heights. (Figures 7, 8, 9, 10). The rooms are at the back, distributed on three wings, each having a different view. On the side of the road, on two levels the common areas are located. The reception, bar and cafeteria are on the same level with the entrance, while the restaurant «descends» half level and the lounge «ascends» half level above the restaurant, respectively, as shown in the drawings. In this way, one can make eye contact with all public areas from the entrance hall and take advantage of the plot slope, offering a «discharge» of the dining room area directly to the natural ground. At the lowest level all ancillary rooms are also located. Adjacent to the dining room is the kitchen which communicates vertically with the cafeteria, bar, a small conference, or multipurpose room, and with the rest of the entrance spaces.



Figures 7, 8: Facades of Amalia Hotel in Olympia. Source: (1977) Archives of Nikos and Maria Valsamakis' Architectural office



During this period, Greece followed the international tourism standards. By the 90s, international tourism has been constantly massified. This model was followed by the Greek tourism that was developed and reached its climax (peak point) by the middle of the 80s. Major markets were the USA, UK, and the industrialized countries of Europe (France, Germany, and Scandinavia). A number of factors contributed to this: the loss of popularity of Spanish destinations, the trend for new destinations and the relatively cheap Greek product, as well as the potentiality it acquired by the tour operators, the development of major infrastructure and restructures, developments in aviation, etc. In the late 80s, the first signs of decline appear because of the participation of Greece in the EEC, while inflationary pressures of the time and rising of costs / prices in hotel market are the reasons of the Greek product shift, to options such as new tourism forms and qualitative upgrading of the existing mass model. Greece in order to strengthen its turnaround, has been working hard to claim the 1996 Olympics. The «Amalia» hotel group continues to develop, relying on the strategy to invest in units placed near important ancient monuments and important road junctions and in the development of local infrastructure and restructuring.

The spatial characteristics of the touristic product of the area are important both in abundance and variety. The area of Olympia<sup>ix</sup> (Olympia, Patras, Kyllini) collects 94% of the region and also has significant infrastructure for special interest tourism. Nevertheless, insufficient utilization of these resources is found in a number of indicators, as following:

- 21 beds per 1,000 inhabitants, compared to 60 in the whole country,



Figures 9, 10: Typical room, lobby. Source: (2000) Archives of Christos Koulouvatos

- average length of stay five days versus eight in the entire country,
- increase of beds number by 4% in the period 1999-2000, compared to 29% in the whole country.

This situation appears in the hotel data first. It works during the high season (the last two years) with a completeness of about 35%. Also, an important spatial feature is the presence of foreign tourism in the area, with the rest of the region attracting Greek customers.

### 3.3. HOTEL AMALIA IN KALAMPAKA

The fifth and last hotel of «Amalia» Group was constructed in Kalambaka in 1996 on the occasion of Meteora, which has always been a tourist attraction. The Amalia Hotel in Kalambaka is the latest hotel designed by the architect N. Valsamakis for the Group. He is in his mature creative period and the style of his works, during this phase, can be described as postmodern. Without abandoning his basic synthetic principles, N. Valsamakis designs again a building based on the atrium core, the wing system for the bedrooms, the breakdown of the volumes and the connection to the place and for the first time combines it with the local characteristics. Because of its size, the specific nature of the space and specificity of the place, there are there are two atriums, so that no space is any less than another in terms of the view and accessibility.

*«In his buildings, that are so adapted to the Greek climate and light, the interior merges with the outside as it is expanded and shaped into an outdoor living space. At the same time, he manages to make use, in a modern way, of the traditional materials and construction methods»<sup>x</sup>.* Poised between past and future, the architect gives form to the building, through its functionality, exploits the local morphological characteristics and modifies the idea of white cubist volumes, using color in plaster and tile (Figures 11, 12).

The hotel is built on 3 levels and has 170 rooms and 2 suites with a view to Meteora and the lush gardens, an area of about fifty acres. On ground floor is the magnificent entrance on many levels, with distinct areas of the living rooms, in small or large recesses with a fireplace in some cases, and in front or next to large openings to exploit the natural light and view. The rest of the common areas (dining room, bar) follow the slope and the idea of direct access to the pool and to the outdoor area around it. The architectural design is of particular importance. The international style seen of the architect's design has been taken out of this project, giving way to visible «Greek» local characteristics, both on the outside and mostly on the inside.



Figures 11, 12: Amalia hotel in Olympia. Source: (1996) *Archives of Nikos and Maria Valsamakis' Architectural office*, (2004) *Archives of Christos Koulouvatos*

In the architectural shell we find postmodernism elements not adopted by the totality of architect's projects contemporary to this hotel (e.g. houses), which appear to be compatible with his mature style of the previous period with building volume simplicity. The interior is dominated by wood-carved ceilings and painted surfaces, assisted by

different types of carpets, carved chests, etc. and all these coexist with different styles of furniture (for example, leather «chesterfield» style sofas). It is perhaps the only hotel where «massification» in the furniture form and decoupling of the separate elements, embedded in the holistic planning of the previous hotels, can be seen<sup>xi</sup>. (Figures 13, 14, 15, 16).



Figures 13, 14: Hotel interiors. Source: (2004) Archives of Christos Koulouvatos

The architect uses local construction techniques and connects them, to the international modernism. *«In his buildings, that are so adapted to the Greek climate and light, the interior merges with the exterior, as it is expanded and shaped into an outdoor living space. At the same time, he manages to exploit in a modern way traditional materials and construction methods. Valsamakis' morphological patterns cover a vast variety of influences, ranging from the local architecture - Greek traditional and modern – to the current newest trends in the European and American architecture»<sup>xii</sup>.*

Since 1980, Greek tourism has been declining. The government's inaction, the opportunistic way of exercise and the tactic of «skimming» followed in previous years by the business community, and the impact of massification on environment and define these results as non-reversible. To deal with these phenomena, tourism is now looking at improving the quality features and product upgrade. The goal of the Olympics centenary and the request of hosting them, marks the starting point of this strategy. A request, through, that does not involve a solid intervention of development nature (main pathologies being the lack of planning and inadequate training), and does not cure the «mutilated» parts of the tourism product. Ranking twentieth and being in one of the lowest revenue position, the customer tank is the countries of Western and Central Europe. Over the last decade and after the Olympic Games, it is catching up and it's repositioned in the global market, which however make progress and is dominated by better-informed consumers, with requirements in quality characteristics. It is also oriented to the search of «cultural experience», equivalent with the concept «value for money».



Figures15, 16: Hotel interiors. *Source: (2004) Archives of Christos Koulouvatos*

#### 4. CONCLUSIONS

The model of mass tourism 3S, should be seen as a part of the historical context.

The various developments in the political, economical and social level is either interpreted in terms of transnational, or regional, or local terms, and influenced the current form of the Greek product. Its features dominated in these twenty years and the structured tourist planning of the previous period with the aim of quality development model is weakened and is delivered in an unconditional industrialization –massification of touristic activity. Industrialization carries significant load on the infrastructure of the hosting area while the uncontrollable and anarchistic building, seasonal character and occasional jobs created conditions of dualism, and of establishing an *one range* development model.

The parameter «space – place» participates in the development as a variable of social welfare. In this relationship, issues that arise concern spatial parameters such as:

- Population data and distribution.
- Developments of transport (means, communication, computer science)
- Percentage relationship population / area and exploitation of natural resources (capacity, scarcity).
- Environment - natural resources.

Local development is based on the participation of decentralized government agencies to evaluate their own resources in the activation of the «intramural» productive forces and internal control of the development process.

The characteristics of such a process in general may be:

- The process of development is linked to economic growth whose results are compact, corrective, lasting and irreversible.



- All modules have a spatial resource stocks (financial, human, institutional and cultural, natural associated with territorial concessions) and of various levers of mobilizing (agencies and institutions, entrepreneurship and initiative).

The Group «Amalia» hotels kept targeting the cultural experience - product choosing installation points where local resources were the attraction of their customers. For local development, the business model of the Group can be an example. The major reasons are summarized as following:

- Commitment to quality of hotel infrastructure (technical, operational, institutional) at each level of operation that ensures sustainability.
- Units that are constructed in an environmental friendly way (Olympia, Kalambaka).
- Perception to the staff of the group which ensures employment and education of employees and of the members of the family as well, showing the orientation towards sustainability rather than temporary profit.

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<sup>4</sup> Gross Domestic Product (GDP) is defined by the Organization for Economic Co-operation and Development (OECD) as "an aggregate measure of production equal to the sum of the gross values added of all resident, institutional units engaged in production (plus any taxes, and minus any subsidies, on products not included in the value of their outputs). <http://stats.oecd.org/glossary/detail.asp?ID=1163>

<sup>5</sup> Nicolaidou, S., 1993. The Social Organization of Urban Space, Athens: Papazisis, p. 124.

<sup>6</sup> PEST analysis (Political, Economic, Social and Technological analysis) describes a framework of macro-environmental factors used in the environmental scanning component of strategic management. It is a useful strategic tool for understanding market growth or decline, business position, potential and direction for operations. The earliest known reference to tools and techniques for "Scanning the Business Environment" appears to be by Francis J. Aguilar (1967) who discusses "ETPS" - a mnemonic for the four sectors of his taxonomy of the environment: Economic, Technical, Political and Social.

<sup>7</sup> Under the Xenia project, since 1950, 53 hotel complexes, motels and tourist kiosks have been designed and implemented by the Technical Services of GNTO, scattered in archaeological sites, islands and mainland of Greece. The Xenia project was completed in 1974 and officially ended in 1983. However, since 1970, peaking in 1980, many of these hotel facilities declined, were abandoned and deserted.

<sup>8</sup> Georgiadou, Z., Frangou, D., Marnellos, D., 2015, *Hotels Xenia in Greece: A Holistic Approach to Modern Cultural Heritage*, Journal of Civil Engineer and Architecture, vol. 9, no.3, pp 130-141.

<sup>9</sup> "Architektoniki" Journal, Issue 8/1958, p. 124.

<sup>10</sup> Ministry of Development, Hellenic Organization of Tourism (2003), Study of Tourism Region of Attica, Athens, accessible: [http://www.gnto.gov.gr/sites/default/files/files\\_basic\\_pages/perilipsi\\_attiki.pdf](http://www.gnto.gov.gr/sites/default/files/files_basic_pages/perilipsi_attiki.pdf)

<sup>11</sup> Filippides, D., 1984. *New Hellenic Architecture*, Athens: Melissa p 406

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<sup>13</sup> Filippides, D., 1984. *New Hellenic Architecture*, Athens: Melissa, p. 361.

<sup>14</sup> Ibid, p 406

<sup>15</sup> Kalogeras, N., Koukis, G., Filippides, D., 2001. *Explanatory Report on his Nomination for an Honorary Doctorate of School of Architecture of NTUA* (National Technical University of Athens).

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**ABSTRACT**

Characteristics of global tourism have changed during last decades. One of these changes is the rise of new markets of outbound tourism which is well documented by researchers. The countries referred as BRICS (Brazil, Russia, China, India and South Africa) are also among the most well known emerging markets in tourism. Rise of outbound tourism from these countries have affected tourism flows and types of tourists that arrive across Europe. As a result several European countries try to take advantage of this trend.

This paper focuses on these emerging markets and especially on Russia and China and their impact on Greek tourism sector. A brief exhibition of emerging markets in global tourism takes place at first and facts and figures for Russia and China are shown. Afterwards, there is an analytic approach on how these two emerging markets have already affected Greek tourism in terms of several indicators such as arrivals, spending, length of stay, receipts etc. Moreover, these indicators are compared to those ones from countries that are considered as traditional incoming markets for Greek tourism such as Germany, United Kingdom, France, Italy and others.

Finally, current paper comes up with suggestions on how tourism sector in Greece can adapt to specific characteristics of these “new” incoming tourists and fully address to these new tourism trends. Particularly, the main suggestion is to create and promote specific tourism products such as cultural tourism, city tourism, religious tourism etc. adapted to Chinese and Russian tourism market. These products can positively impact the demand of Greek tourism product and contribute to reduce tourism seasonality.

**Keywords:** Russia, China, Emerging Markets, Greece

**INTRODUCTION**

Russia and China are the two largest countries on the planet and two of the strongest economies, which, during the last two decades are characterised by remarkable economic growth and political liberalisation.

Economic growth and socio-political liberalisation are the main prerequisites for the emergence of a more liberal and mobile youth, an extended middle class, together with a new bourgeoisie, social conditions that are much in favour of tourism, both as a social phenomenon inasmuch as an economic activity.

The above conditions in the two countries offer extensive possibilities of tourism within their borders, because of their size, geo-morphological and cultural differences. This serves as an 'educational' step for outbound tourism, i.e. travel to other countries.

Thus, the development of the tourism phenomenon in these countries and the increasing numbers of outbound tourists from Russia and China creates tourist flows towards traditional tourist destinations worldwide, including destinations such as Greece.

The purpose of this article is to analyze the course of tourism phenomenon in Russia and China today and to present figures and trends, in terms of incoming tourism to Greece. In addition, and based on the analysis, to propose ways of better addressing the potential of two emerging markets in our country, adapting to the specific characteristics of each market.

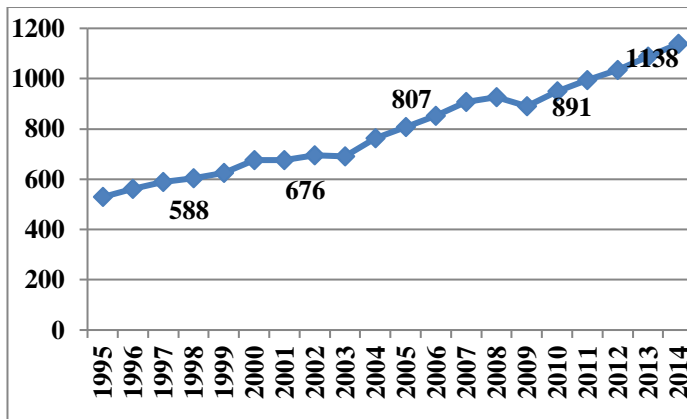
## **GLOBAL TOURIST FLOWS AND EMERGING MARKETS**

### **Basic figures regarding world travel**

It is a fact that tourism in recent decades has risen steadily except a slight hesitation in 2008-2009. For 2013, international tourist arrivals reached 1.087 billion worldwide, while in 2014 there was an increase of 4.7%, larger than the initial forecast (4.5%) of the World Tourism Organisation, to 1.138 billion arrivals. This increase exceeds the average increase envisaged for the period 2010-2020, which is around 3.8%. The increase in air traffic is even higher, 6.1% (WTTC, 2015).

For 2015, globally, the Travel and Tourism (T&T) sector is expected to perform better than the wider economy, and register the sixth successive annual positive growth. In 2014, the tourism industry contributed US\$7,580 billion in GDP and 277 million jobs to the global economy, being some 9.8% of the World GDP.

During 2015, the industry's contribution to global GDP is forecast to grow by 3.7% and employment by 2.6%. This demonstrates the sector's enduring ability to generate economic growth and create jobs at a faster rate than the global economy, which is due to grow by 2.9% in 2015. Thus, by the end of 2015, the T&T sector will contribute US\$7,860 billion, 10% of global GDP, once all direct, indirect and induced impacts are taken into account. The sector will account for 284 million jobs, 9.5% of total employment, or one in eleven of all jobs on the planet (WTTC, 2015).

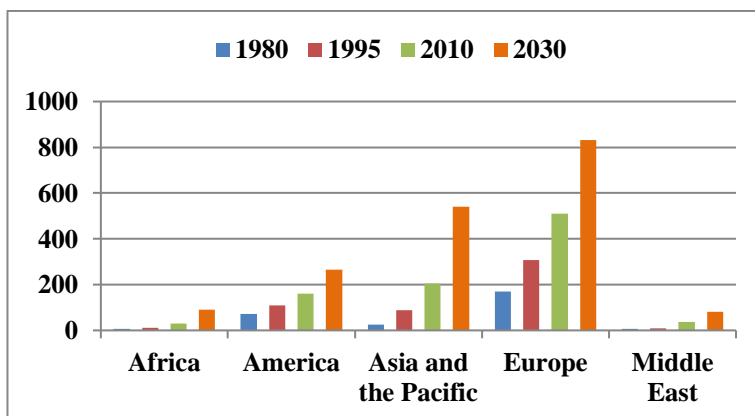


Source: WTO, 2014; WTTC, 2015

Figure 1: Global International tourist arrivals (mil.) 1995 – 2014

As WTTC forecasts, the United States and China will retain their rankings as the two biggest Travel and Tourism (T&T) economies in the world. Germany overtook Japan and now ranks as the third largest T&T economy. Russia faces the continuing sanctions being imposed and the devaluation of the rouble. This increases the inbound tourism arrivals but not the total T&T revenue expressed in \$. South Asia is expected to experience the highest growth in 2015 at 6.9%, whilst Europe and Latin America are the regions with the lowest forecast growth of 2.4%. Long-term forecasts for Travel & Tourism show continued annual growth at 3.8% over the next ten years to \$11.4 trillion. By 2025, the global Travel & Tourism sector is expected to contribute 357 million jobs, some 73 million more jobs than this year. Figure 1 provides some detail for the global tourist arrivals' path.

As regards future trends, Figure 2 shows the expected increase in number of tourists from each region at a global level. It is clearly stated that tourists from Asia and the Pacific region are expected to increase more than 100%. Nevertheless, Europe will still accounts for more than half of the global figure.



Source: WTO, 2011

Figure 2: Numbers of tourists from selected regions of the world (forecast for 2030)

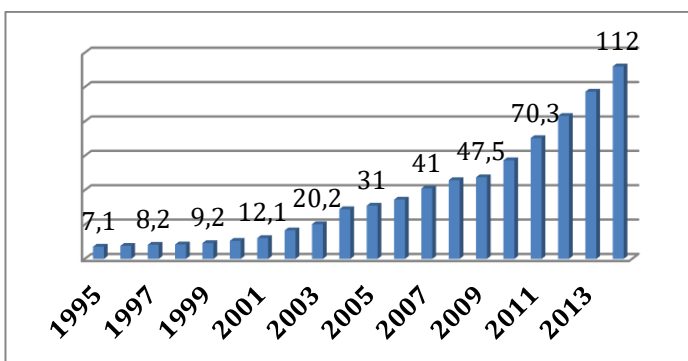
## Emerging Markets: China and Russia

As shown by the data, the share of international arrivals corresponding to emerging economies is expected to surpass that of developed countries. Regarding arrivals, the average percentage change for emerging economies is expected to show an increase of 4,4%, which is double that of developed countries. The growth of international tourism by residents of emerging economies has become a fact that is clearly reflected when considering the tourism trends in recent years.

### China

Undoubtedly, tourism is a booming sector for the Asia - Pacific region, which includes China. For the period 2010-2030, major changes in inbound and outbound tourism markets, as estimated by the Organisation for Economic Cooperation and Development (OECD, 2014), which have already begun to emerge concerning the share of emerging tourist markets and economies. China is investing in tourism, although its importance is still comparatively small for its economy. Investment in Tourism development was 2.9% of all investment in China, in 2014, which is planned to rise to 4.1% of total investment in 2025. Direct contribution in China's GDP was 2.6%. This is forecast to increase by some 6% annually. This will make it reach to 2.8% by 2015. Total Contribution of travel industry is estimated to 9.4% in 2014 and expected to rise to 10.3% in 2025.

Regarding Chinese outbound tourism, Figure 3 shows clearly that a growing number of Chinese tourists prefer to travel abroad. During 2013 total number of Chinese outbound tourists reached 97,3 millions, 90 million over the respective number of year 1995. It has to be mentioned that this increase outnumbered previous forecasts for Chinese outbound tourism<sup>8</sup>. This rapid growth happened due to the fact that a growing number of Chinese tourists can afford to travel abroad. It has to be mentioned that the annual average growth of Chinese outbound tourism reached 13% for the current period (1995-2013).



Source: China Travel Trends (2012) and [www.china-outbound.com](http://www.china-outbound.com) (2014)

Figure 3: Chinese Outbound tourists 1995 -2014<sup>9</sup> (millions)

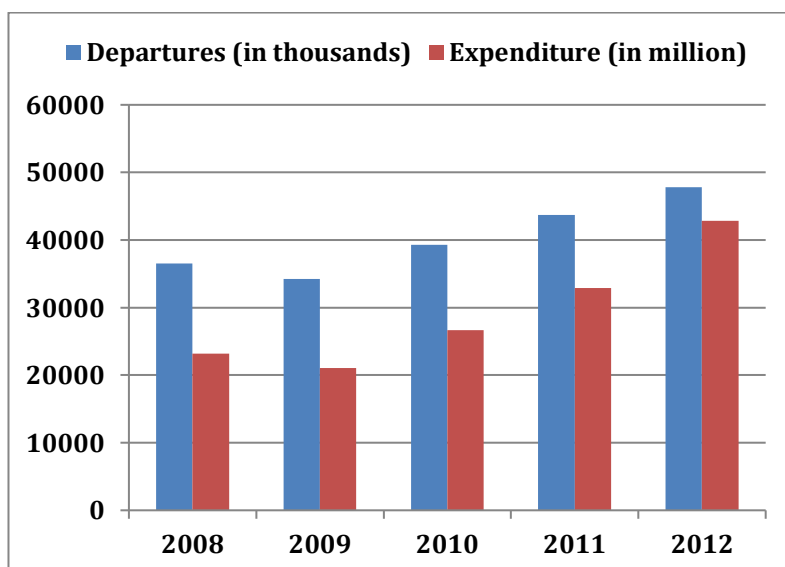
<sup>8</sup> 88 million were expected in 2013 (Pavlopoulos 2005)

<sup>9</sup> 112 millions in 2014 is estimation.

## Russia

Our analysis presents a picture of an economy that has undergone three crises: the deregulation of prices, opening the economy to trade and hence to world prices, the devaluation of the ruble in 1998, the recent devaluation of 2014 with the slide of the ruble (from 40 R/ € in 85 R/ €), and the recent (2015) rebound to 58 R/€. All scenarios remain open to the development of 'Ukrainian' crisis. These fluctuations led the Russian economy to seek international business that would ensure a more stable cash flow, preferably in 'hard' currencies. Tourism business fit perfectly in this frame. Devaluation of the Ruble enhanced the tourist flows to Russia.

Russian outbound tourism increased with an average of 7% per year from 2008 to 2012 with a 31,3% total increase which reflects the trend for outbound trips (Figure 4). At the same time, expenditure of Russian tourist has already increased but it has to be mentioned that this increase is expected to reduce its growth as it referred further down.



Source: OECD, 2014

Figure 4: Departures of Russian tourists

## Russia and China as emerging tourism markets for greece

Table 1 and Table 2 present data regarding arrivals of incoming tourists to Greece from selected countries. Germany and UK are at the first two positions with an average annual change in arrivals of -0,1% and - 1,4% for the period 2008 to 2014. These two countries account for about 1/5 of total arrivals in Greece during 2014.

Third comes Russia and it is obvious that today it can be considered as one of the main tourism markets of Greece. It has already outnumbered traditional markets such as Italy (in 2014) and France (since 2013) and has been increasing in terms of arrivals with an average rate of +26,2% per year (2008-2014). However, during 2014, there

was a decrease in arrivals of Russian tourists but still they represent a significant percentage of total incoming arrivals (5,7%).

China on the other hand represents a very small percentage of total arrivals (0,2%). Nevertheless, it is a rapidly emerging market, with unlimited potential. The arrivals of Chinese tourists increase with an average of 41,4% per year from 2008 to date.

Table 1: Arrivals of international tourists in Greece per country of origin 2008-2014

Country	2008	2009	2010	2011	2012	2013	2014
Germany	2,469,151	2,364,486	2,038,871	2,240,481	2,108,787	2,267,546	2.459.228
UK	2,278,014	2,112,149	1,802,203	1,758,093	1,920,794	1,846,333	2.089.529
Russia	309,071	276,021	451,239	738,927	874,787	1,352,901	1.250.174
France	910,021	962,435	868,346	1,149,388	977,376	1,152,217	1.463.157
Italy	1,099,983	935,011	843,613	938,232	848,073	964,314	1.117.712
Turkey	207,609	200,348	561,198	552,090	602,306	831,113	976.758
USA	612,825	531,276	498,301	484,708	373,831	466,520	591.853
Canada	158,447	134,983	113,358	142,287	102,694	186,701	145.720
Australia	136,086	133,869	108,088	115,902	117,852	129,112	183.080
China	5,941	7,793	13,620	15,838	12,203	28,328	47.482

Source: Bank of Greece

Table 2: Share of international arrivals to Greece per country of origin, and average annual change, 2008-2014

Country	2008	2009	2010	2011	2012	2013	2014	Average Annual Change in Arrivals (2008 -2014)
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Germany	15.5	15.9	13.6	13.6	13.6	12.7	11,2	-0,1%
UK	14.3	14.2	12.0	10.7	12.4	10.3	9,5	-1,4%
Russia	1.9	1.9	3.0	4.5	5.6	7.5	5,7	26,2%
France	5.7	6.5	5.8	7.0	6.3	6.4	6,6	8,2%
Italy	6.9	6.3	5.6	5.7	5.5	5.4	5,1	0,3%
Turkey	1.3	1.3	3.7	3.4	3.9	4.6	4,4	29,5%
USA	3.8	3.6	3.3	3.0	2.4	2.6	2,7	-0,6%
Canada	1.0	0.9	0.8	0.9	0.7	1.0	0,7	-1,4%
Australia	0.9	0.9	0.7	0.7	0.8	0.7	0,8	5,1%
China	0.0	0.1	0.1	0.1	0.1	0.2	0,2	41,4%

Source: Bank of Greece

Respectively, Table 3 presents the share of tourist receipts for Greece, per country of origin and the average annual change for period 2008 -2014.

Russia was the third country in terms of receipts although it was fourth in terms of arrivals during 2014. This fact states clearly the importance of Russian market for Greece. The average annual increase between 2008 to 2014 for receipts from Russian tourists was 19,3%.

China, at the same time, accounts for a very significant increase of average annual receipts, of about 61,5% which clearly shows the dynamic of Chinese market.

It is obvious that Greece should implement well targeted and specific policies in order to take advantage of this dynamic increase of emerging markets. It is a fact that Greek authorities have already made efforts for focusing on Chinese and Russian Markets (e.g. Athens to Shanghai direct flight<sup>10</sup>). However, additional efforts should be implemented and adapted to specific characteristics of Russian and Chinese tourists. These characteristics are described further down.

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<sup>10</sup> The first direct flight from Shanghai landed on 16/06/2014 with 180 Chinese tourists. ([www.imerisia.gr](http://www.imerisia.gr))



**Table 3: Share of tourism receipts for Greece per country of origin, and average annual change, 2008 - 2014**

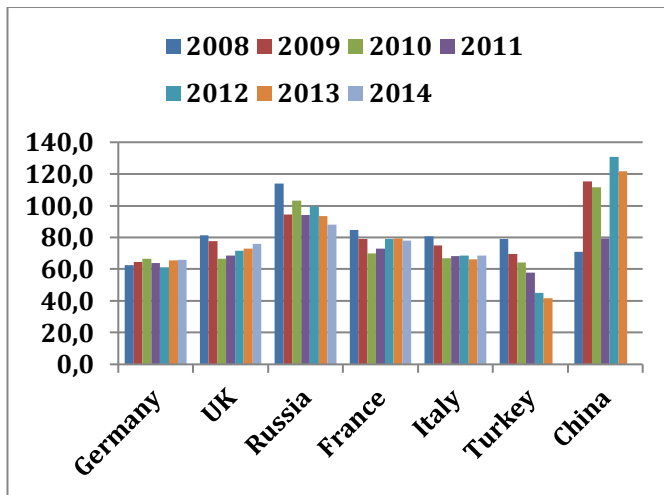
Country	2008	2009	2010	2011	2012	2013	2014	Average Annual Change in Tourism Receipts (2008-2014) <sup>11</sup>
Germany	16.5%	17.7%	16.9%	17.5%	15.8%	15.6%	14,9%	0,7%
UK	16.1%	15.6%	12.9%	11.5%	13.6%	11.1%	11,6%	-5,2%
Russia	3.4%	2.9%	5.2%	7.1%	9.0%	11.0%	8,6%	19,3%
France	6.7%	7.0%	6.7%	8.0%	7.3%	7.5%	8,4%	6,4%
Italy	7.1%	6.1%	5.6%	6.0%	5.2%	4.9%	5,3%	-2,6%
Turkey	0.7%	0.6%	1.2%	1.0%	0.8%	0.9%		3,7%
USA	6.2%	5.5%	6.2%	5.1%	4.1%	4.7%	4,9%	-1,7%
Canada	1.6%	1.4%	1.4%	1.6%	1.3%	2.1%	1,2%	-2,2%
Australia	1.4%	1.7%	1.5%	1.6%	1.5%	1.5%	1,8%	6,9%
China	0.0%	0.1%	0.1%	0.1%	0.1%	0.2%		61,5%

Source: Bank of Greece

As regards Russia, it is critical to mention that Russian tourists prefer the classic tourist product of sea and sun. As a result, an extremely competitive environment is being developed since Turkey has the ability to offer respective travel experiences to competitive prices. According to this, Greek tourism product should focus on improving quality so as to differentiate from the price competition. This policy might be very effective for Russia and emerging markets.

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<sup>11</sup> Data for China and Turkey is for 2008 – 2013 period.



Source: Bank of Greece

Figure 5: Average tourism expenditure per night spent in Greece, by country of origin (in €)<sup>12</sup>

Incoming tourists from these markets usually record high tourism expenditure. Thus low price is not necessarily the main reason for choosing travel destinations. Figure 5 shows the expenditure per night of stay to Greece for Russian, Chinese and other markets. It is obvious that Russian and Chinese tourists spend greater amount of money compared to other markets, even from French that traditional tend to spend a lot. Also, other emerging markets such as Turkish show high level of tourism expenditure in Greece.

Specific data for Russia (Figure 6) show that expenditure decreased compared to 2008. However, it has been stabilized in high levels especially after 2011 with a little decrease after 2013. Spending during third and fourth quarter remain about 90 Euros per day. The decrease of expenditure may have happened either because a growing percentage of population travelled abroad or because of increased concern for Russian economy. This situation has been aggravated due to bankruptcy of several Russian tour operators during 2014<sup>13</sup>. It has to be mentioned that Greek travel agents and hoteliers have made great efforts to overcome these problems. The Russian market in general is expected to slow down its increase due to recent instability in Ukraine.

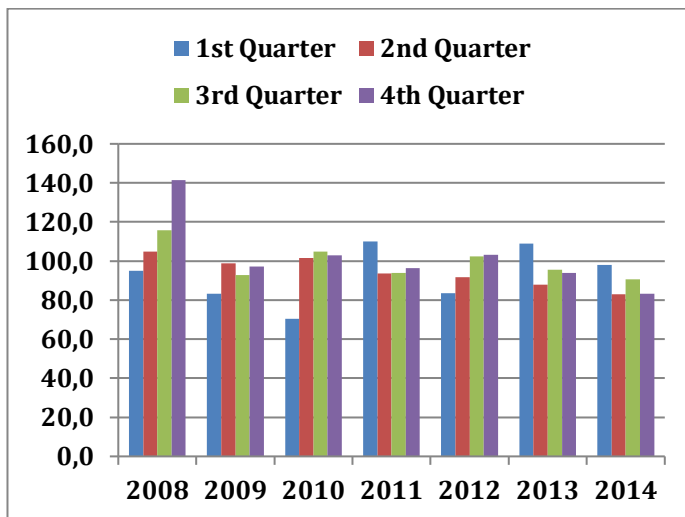
According to Russian National Tourism Organization<sup>14</sup> weather conditions is the main reason for choosing travel destination for 64% of Russians aged 18-34 and for 56% of those aged 35-55. Respectively, positive online reviews are the basic criteria for choosing hotel for 39 and 41 per cent of the above age categories. Due to the aforementioned Greece gains competitive advantage, as it is a close destination to Russia.

<sup>12</sup> Data for China and Turkey till 2013

<sup>13</sup> From June to August of 2014 the following tour operators were bankrupted: Neva, Expo-tour, WindRose World, Labirint and Intaer

<sup>14</sup> Sample consisted of 500 Russians of Moscow, which were categorized at age groups of 18-34 and 35-55 with medium and high levels of income. Additionally, they had travelled abroad at least two times during the last two years (Embassy of Greece in the Russian Federation, 2014)

In addition, Russian tourists tend to travel during May and November and this trend should be carefully considered by several destinations in Greece as they have the potential of offering an attractive trip for Russians due to weather conditions<sup>15</sup>. Arrivals of Russian tourists during November and May can dampen tourism seasonality. Furthermore, religious tourism is an alternative for attracting Russian market. Common religion might be an important reason for Russians to visit Greek religious sites<sup>16</sup>. Implementing effective promotion practices by several destinations in Greece can contribute to extended length of stay and increased tourism expenditure.



Source: Bank of Greece

Figure 6: Russian tourists' expenditure per night of stay (in Euros)

As regards the Chinese tourists coming to Greece, they increase rapidly in terms of arrivals, overnights and receipts. Nevertheless, arrivals of Chinese tourists still represent a very small percentage of total inbound tourism for Greece. According to various estimates, Chinese outbound tourism arrivals to Europe will keep increasing. Growing number of Chinese tourists prefer travelling to destinations far from Asian area.

Regarding the purpose of travel, culture is the basic motive for Chinese tourists. They travel abroad in order to meet foreign cultures and as a result Greece appears to have a strong competitive advantage. However, the expected trend of the Chinese to visit several European destinations only in one trip weakens. On the other hand, Chinese tourists tend to visit fewer destinations or even only one during a single trip (ETC, 2011). Main outcome of this trend is that Greece will face strong competition in attracting Chinese tourists by other preferable European destinations such as UK and France. Greek tourism product should be enhanced with elements that will attract more Chinese tourists and take advantage of the rapid development of Chinese emerging tourism market.

<sup>15</sup> According to ETC (2010), during May and November, Russians travel to close destinations(4-5 flight duration). Also, they prefer cultural but also sea and sun trips during these months.

<sup>16</sup> Indicative Greek religious sites are: Meteora, Mountain of Athos, Cave of the Apocalypse.

Except of meeting new European cultures, Chinese tourists tend to buy luxury brand products. Chinese spend greater amount of money in this type of tourism activities rather than in accommodation and food, presenting higher daily tourism expenditure in comparison with tourists of other countries<sup>17</sup>. This fact explains the tendency of Chinese outbound tourists to choose city tourism trips – they like the market and culture rather than the climate or the sea. More specifically, it is estimated that 40% of the Chinese outbound tourists prefer city tourism trips while 30% of the outbound tourists opt to visit seaside destinations<sup>18</sup>.

It is important to notice that while more and more Chinese tourists tend to travel abroad, they become more demanding regarding their needs during the trip and their shopping activities. Additionally, it is crucial to take into account the low seasonality of Chinese outbound tourism and the fact that during winter, the Chinese outbound trips remain in higher levels compared to other tourism origin markets. (Table 4).

According to the above, promotion of city tourism to Chinese tourists is strongly recommended, since urban environments combine both cultural and shopping activities. The decision for shopping centers to be open on (several) Sundays as well, contributes to the enhancement of tourism activities during weekends. However, it is suggested that the aforementioned decision should be combined with right promotion of travel packages, good quality and direct flights<sup>19</sup>, so as to attract upper segments of the tourism markets. Furthermore, combination of the above with low seasonality of Chinese outbound tourism can contribute economically to large urban centers during low demand seasons.

Furthermore, a friendly environment offered to Chinese tourists can be considered as one of the key success factors. As a result Greece should invest towards this direction in order to be able to offer more attractive and competitive tourism products to Chinese. It is important to take into account several difficulties in offering tourist services to Chinese, due to the fact that they are not quite familiar with English language and European cultures in general. This difficulty creates an additional need of careful and continuous handling of Chinese tourists by travel agents and tour guides. Translation of the Greek official website “visitgreece”<sup>20</sup> into Chinese is expected to contribute to the effective promotion of the Greek tourism product as well as the enhancement of the communication strategies of Greece.

Table 4: Seasonality of Chinese outbound tourism & national holidays

Month	Percentage of overseas trips per month (2007-2008)	National Holidays
January	8.09%	2011: 2 -8 of January 2012: 22-28 of January

<sup>17</sup> High level of expenditure of Chinese tourists in Greece is well documented in Figure 3

<sup>18</sup> According to World Travel Monitor of IPK International (ITB, 2013)

<sup>19</sup> Extension of direct flight period between Athens and Shanghai should be carefully considered

<sup>20</sup> Greek National Tourism Organization - [www.visitgreece.gr](http://www.visitgreece.gr)

February	8.37%	2011: 3-5 of April 2012: 5-7 of April
March	8.13%	2011: 1-3 of May 2012: 1-3 of May
April	7.95%	2011: 6 of June 2012: 6 of June
May	8.16%	2011: 12 of September 2012: 30 of September
June	7.31%	2011: 1-7 of October 2012: 1-7 of October
July	9.08%	
August	8.51%	
September	8.29%	
October	8.81%	
November	8.47%	
December	8.84%	

Source: ETC, 2011

## Conclusions

The current paper analyzes trends of the emerging tourism markets of Russia and China. Both countries are characterized by high level of tourism expenditure.

More specifically, Russia's market is considered as one of the main income tourism markets of Greece. This fact underlies their high importance to Greek tourism. Unfortunately, the bankruptcy of several Russian tour operators is a great threat for Greece and a serious problem to overcome in near future.

On the other hand, Chinese market presents quite different dynamics. China's market is very important for Greece due to the increasing volumes, the high daily spending and the off-season demand. Key element for the development of the latter will be the investment on Chinese language. Simultaneously, other markets should be utilized. For example, Turkey shows growing number of arrivals in Greece. Utilization of emerging markets should be always an important matter for Greek tourism product that managed to reposition to global tourism map.

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## PROPOSED CERTIFICATION STANDARD FOR THE SUSTAINABLE MANAGEMENT AND DEVELOPMENT OF MEDITERRANEAN BEACHES

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### ABSTRACT

Costal Zones are recognized of strategic importance to all Europeans and in general coastal is perceived as the land sea interface. A land use model is a representation of the interactions between different non-linear systems – biophysical and anthropic, that influence the dynamics of Land Use/Cover Change (LUCC).

This uniqueness, a result of the coexistence of land, sea and air, accounts for the ecological and environmental sensitivity of all coastal zones. They are unfortunately under severe pressure leading to huge environmental impacts due to the intense and unregulated human intervention.

Although the beaches of the general Mediterranean region constituted and still constitute a part of its significant natural heritage, nothing has been done to support the sustainable development of these areas, which would ensure both the protection of the environment and natural resources, and the general progress of the region.

This problem can be solved through the use of a pioneering and innovative tool: the certification standard for sustainable beach management and development called Costa Nostrum® (= our coast), applicable to all Mediterranean beaches.

The main purpose of Costa Nostrum® is the development of a management model-draft and a certification standard, under which sustainable management and development of each beach will be achieved. Through this process the protection of the environment, the economic development of the areas around the beach and general societal prosperity will also be ensured. Upon completion, it will provide a number of sustainability indicators, which should be recorded, as well as several principles and steps that will facilitate the success of the sustainable development of the beach. A classification of all sustainable beaches will also be provided, depending on the criteria and specifications they meet.

This standard can be adopted and implemented either by individual beaches of certain municipalities or regions. It is also directly applicable to beaches that "belong" to private entities-companies, such as hotel units. It is designed in such a way that all beaches, whether organized or not, even those that are considered eco-beaches, can

potentially qualify and be characterized as sustainable, provided they meet the basic criteria of the management plan-standard.

At the same time, each beach has its own unique characteristics, needs and requirements as well as its own specific capabilities in regard to service provision. Therefore, the proposed standard evaluates those services as well as the characteristics of the beach, and ranks it accordingly in one of four categories (only for organized beaches), while also contributing to the upgrade of the provided services.

The benefits of meeting the sustainability standard for one or more beaches, are diverse, important and cover all three aspects of sustainable development (economy, society and environment), thus greatly facilitating the general advancement and progress of the coastal area.

It should be emphasized that the use of the proposed indicators, principles and steps will result in an objective and fair assessment of the standard, which would ensure the sustainable development of the beach.

**Keywords:** Sustainable Beach Management, Sustainable Development, Sustainable Tourism, Sustainable Indicators

## **INTRODUCTION**

Due to the combination of sea, land and air, the coastal zone is considered a unique and ecologically sensitive ecosystem, which however, since ancient times favoured for a variety of political, social, environmental, economic and defence reasons, the creation and development of great civilizations (Babilis, 2012; Moschovoudi, 2009).

Indicative of the extreme importance of the coastal zones is that although they account for about 15% of the total surface of the planet, 60% of the world population lives on them (Tzouma 2012; Economou, 2007; Moschovoudi, 2009; Mastrodimou, 2010). Indicative of the increasing population pressure on coastal areas is that by 2020 about 75% of the world population is estimated to have settled in a narrow strip of land with a maximum width of 60 kilometres from the coastline (Mastrodimou, 2010).

The main factors influencing and determining coastal regions are (Dimopoulou, Avagianou and Zentelis, 200?):

The density of the population living and working in the coastal zone.

The significant and fragile biodiversity existing in these areas due to the interaction between the terrestrial and marine ecosystems.

Their geomorphological structure.

The physical processes taking place such as the sedimentation mechanisms, and

Finally, the potential for the development of various human activities such as tourism.



## **THE PROBLEMS OF THE COASTAL ZONES - BEACHES**

The intense coexistence of humans with the sensitive ecological parameters and the physical processes taking place in coastal areas has resulted in the continuously increasing pressure on the environment and natural resources contained in this narrow land strip. The problems faced by coastal areas other than environmental are both social and economic, with grave consequences and implications for the wider community, with the major of them being (Mitoula and Economou, 2003; Papaioannou, 2012; Tzouma, 2012; Mediterranean SOS, 200?; Chatzimpiros and Panayotidis, 200?)

The rapid development of these areas results in urban sprawl and infrastructure and services problems.

The massive migration towards coastal areas may result in increased unemployment and social instability

Destruction of cultural heritage due to the intense urbanization and development of economic activities.

Attraction of a large number of visitors - tourists, greater in many cases than the carrying capacity of coastal areas especially during the summer months, while facing social desolation during the winter season.

From an environmental point of view, the most important problems faced by coastal areas are (Mitoula and Economou, 2003; Babilis, 2012; Papaioannou, 2012; Mastrodimou, 2010; Tzouma, 2012; Dimopoulou, Avagianou and Zentelis, 200?; TEE, 2009; Kalaitzidaki, 200?; b; Moschovoudi, 2009; Ntasiopoulou, 2008; Zisimopoulos, 2012a; Zisimopoulos, 2012b):

Biodiversity loss due to habitat destruction in order to address the increasing needs for housing, tourism and industrial development.

Loss of coastal forests with a rate of about 200.000 hectares per year due to urbanization and wildfires

Increased pollution rates of land and water resources since the sea is the ultimate recipient of pollutants derived from processes both within the marine area, such as ship discharges and urban waste water discharges, and from land-based processes such as excessive use of pesticides and uncontrolled dumping sites leachates carried by rivers to the sea

Depletion of water reserves and water quality degradation due to increased demand especially during the summer months and simultaneous groundwater pollution from pesticides and sewage

Increased urbanization with environmental impacts due to the rapid development of tourism

Coastal erosion due to human intervention in the natural process of sedimentation

Risks from global climate change and its effects, in particular the increase of sea levels which may flood several coastal areas

Soil loss and destruction of coastal infrastructure due to the elevation of water levels caused by heavy storms during the winter months

Last but not least, are the impacts on coastal areas mainly in the Mediterranean region due to the desertification process caused by natural phenomena and anthropogenic factors.

Concluding, it should be highlighted that although the problems of coastal areas are common to almost all regions, however, in each coastal zone they have different weight and importance, and of course different impacts, which depend on a variety of factors (Tsolakos, 2009). Although the ranking of the aforementioned problems is purely subjective, it is commonly accepted that their effects are particularly destructive and severe in both the natural environment and the lives of people residing in coastal areas around the world (Tsolakos, 2009).

## **THE TOURISM SECTOR IN THE MEDITERRANEAN SEA**

Tourism and leisure are two of the most important economic and social activities at both the European and global levels, which favour job creation, increase income levels in tourist areas, assist intercultural understanding and motivate the conservation of the natural and cultural heritage of a region.

One of the most famous tourist destinations in the world is the Mediterranean basin, which, in the last few years, hosts annually around 200 million tourists and likely this number is set to increase dramatically over the next ten years and touch 355 million by 2025 (A Fleischer, 2012; Michalena, Hills and Amat, 2009; Lacitignola, 2007).

Mass summertime tourism thrived on the shorelines of the Mediterranean after the WWII when the coasts of southern Europe became the symbol of mass tourism by offering a product that long remained without particular contenders (Onorfi and Nunes, 2013).

Data indicate that the wider region of the Mediterranean basin receives 30% of global arrivals which provide about 25% to 28% of global tourism revenues, amounting to \$131.8 billion for 1999 for the economies of touristic countries (Arlem, 2013; Zorpas, 2007; Magoulas and Pappas, 2008; Michalena, Hills and Amat, 2009; Hadjidakou, Chenoweth and Miller, 2013). Of the total number of tourists visiting the Mediterranean, 80% come from European countries with Germany possessing the lion's share and 90% of the total number of tourists spend their holidays in the European part of the Mediterranean shoreline (Magoulas and Pappas, 2008; Arlem, 2013; Zorpas, 2007). Of the remaining 10% a 6.4% visited the African coast and only a small percentage of 1.3% spend their holidays in the Asian coastal areas (Magoulas and Pappas, 2008).

Of all the Mediterranean countries Greece holds a fairly good position compared to its competitors regarding tourism activity, possessing 2.9% of the European and 1.5% of the world market share, data 2012 (SETE, 2013a). The contribution of tourism to national GDP for both 2011 and 2012 was about the same, averaging 16.4% to 16.5% and contributing 10 billion euros to the Greek economy (SETE, 2013a; Karoulia and Tsionou, 2013). The number of arrivals in Greece during 2012 reached the highest level in the last decade, totalling 17 million and showing an increase of 3.16% compared to 2011 when 16.5 million arrivals were recorded (SETE, 2013a). The highest percentage of arrivals (69%) was observed during the summer months from June to September, while the region with the most arrivals for 2012 was Crete totalling 2,830,750 arrivals (SETE, 2013a).

## **THE PROBLEMS OF THE MEDITERRANEAN BEACHES**

Although most beaches of the Mediterranean basin are considered of outstanding natural beauty with special cultural heritage elements and attract each year millions of tourists who seek relaxation and leisure, unfortunately their situation regarding both environmental conditions and services to visitors – bathers, in some cases is particularly daunting if not catastrophic for both the environment and the local economy.

The main problems faced by coastal areas today are (Zisimopoulos, 2015):

Pollution of coasts from garbage and waste discharged into the coastal zone.

Pollution of seawater close to the shore from garbage and waste discharged from bathers.

Substandard and often poor services provided by the entrepreneurs-operators of beaches.

Use of unattractive equipment (sunbeds - umbrellas - waste bins) which are absolutely incompatible with the general scenery and nature of the beach.

Use of damaged or broken equipment.

Overpricing of goods, products and services provided within the coastal zone.

Substandard if not non-existent planning for the management of waste produced at the beach.

The number of visitors often exceeds the carrying capacity of the beach with disastrous consequences for the natural environment.

#### **THE NEED OF SUSTAINABLE DEVELOPMENT OF THE MEDITERRANEAN BEACHES**

Taking into account the data presented it is easily understood that Mediterranean coastal areas - beaches, but also beaches throughout the world, daily receive enormous pressures from the expansion and proliferation of human activities like tourism, resulting in the continuous deterioration of natural resources and environmental pollution within these areas (Tzouma, 2012).

The need to adopt a sustainable development - management model of coastal areas - beaches is highly imperative and arising after the recognition of the key factors that are directly related to the coastal zone – beach, and these are (Economou, 2007; Tzouma, 2012; Moschovoudi, 2009; Vittis, 2004; McLachlan et al, 2013; Lamberti and Zanuttigh, 2005):

The impact on these areas from environmental changes on the climate and geomorphological level.

The recognition of the economic and environmental importance of these areas.

The impacts of human activities both inland and in coastal areas have a direct or indirect effect in these areas.

And finally, the lack of coordination between the authorities involved in coastal zone management in each state and their conflicting plans which are often inconsistent with the protection of the natural environment in coastal areas.

The main purpose of a sustainable management plan of the coastal zone - beach is to combine the protection of the environment and natural beauties of this area while developing it, although with full respect of the natural and cultural specificities of each coastal region, and at the same time aiming to achieve prosperity for the peripheral population, which unfortunately, until now, is facing particularly serious problems (Iliosporoi.net, 2008).

The main axes that should be followed when designing and implementing a system of sustainable management of coastal areas - beaches are (Iliosporoi.net, 2008):

Identifying the social, environmental and economic problems faced by local communities.

The clear defining of the objectives that will lead to an overall problem resolution.

Identifying concrete steps with partial measurable and defined results.

The implementation of measures and actions within the local community.

Securing the financial and human resources and infrastructure, and generally all the necessary tools needed to implement the defined actions.

Creation of an audit and evaluation mechanism.

Exchange of best practices and experiences through networks.

Active involvement of local authorities and residents

Finally, raising the awareness and knowledge of local residents in order to achieve the necessary community involvement.

#### **WHAT IS “COSTA NOSTRUM” STANDARD CERTIFICATION?**

The Standard Certification for the Sustainable Management and Development of Mediterranean Beaches - Costa Nostrum® is a standard and innovative "tool" that can objectively ensure the sustainable development of Mediterranean beaches, by primarily protecting the environment, contributing decisively to the economic development of the region around the Costa Nostrum® sustainable beaches and of course ensuring the social cohesion and prosperity of the region's citizens.

At the same time, the standard certification Costa Nostrum® will be an online tourist information portal for visitors - tourists of the Mediterranean, regarding infrastructure and the classification and characteristics of each Costa Nostrum® sustainable beach. In its full and extended development, each interested person visiting a coastal area in the Mediterranean, by accessing [www.costanostrum.org](http://www.costanostrum.org) or by downloading the special mobile application will be able to see which are the Costa Nostrum® sustainable beaches and what are their characteristics (natural – such as flora, fauna, weather, etc. and technical - such as provided services) and infrastructure. At the same time the visitor will be able to choose a Costa Nostrum® sustainable beach according to his preferences, such as infrastructure for disabled people, babies changing facilities etc., through a simple options form. In each Costa Nostrum® beach there will be both an electronic and printed short questionnaire and a complaints - proposals form which the visitor will be able to fill. In the information section for each Costa Nostrum® beach, in the website or the mobile application as well as at the beach itself (where possible in existing beach facilities such catering businesses) and at other catering businesses in the broader area, there will be advertisement – promotion space for local traditional products from the region as well as for the businesses that produce them.

Anyone having selected a sustainable Costa Nostrum® beach through the mobile application will also be able to get directions to the beach and information for businesses producing traditional local products that are in his path and can be visited.

At the same time another innovation of the standard certification is that it has a control evaluation mechanism for the compliance with the relevant legislation and rules regulating both the use of the beach and the operation of leisure enterprises, for example marine activities businesses.

### **WHICH BEACHES CAN BE CHARACTERIZED AS “COSTA NOSTRUM” SUSTAINABLE BEACHES?**

This management plan - standard certification is designed in such a way that all beaches, whether organized or not, even those considered of "ecological" character can potentially qualify as sustainable beaches, providing they meet the basic criteria of the management plan.

### **THE ADVANTAGES AND INNOVATION OF “COSTA NOSTRUM” STANDARD CERTIFICATION**

The proposed management plan - standard certification Costa Nostrum dominates in the following areas (Zisimopoulos, 2015):

The Sustainable Development of beaches and the surrounding areas is the main objective and purpose.

It emphasizes all three pillars of Sustainability (Economic, Environmental and Social).

Holistic and comprehensive approach to the criteria and requirements for the development of the beach aiming towards its sustainability.

Classification of beaches depending on the services provided and their characteristics.

Calculation of the carrying capacity of each beach.

International promotion and advertising of Sustainable Beaches via Internet, Facebook, Twitter etc.

Application to all kinds of beaches with the same positive results.

Evaluation of the standard and each beach by the visitors through a questionnaire.

Promotion and advertising of local traditional products.

Engages directly and indirectly the local institutions (Schools, Municipalities, Regions, etc.) and the wider society (Beach visitors and residents of the region).

Ability to design the standard accordingly in order to adapt to the local conditions and particularities of each beach.

It is easily applicable - measurable and controllable.

Adopts and is based on principles of various certification systems such as ISO 14001, EMAS, ISO 9001 and ISO 13009.

Raises awareness on environmental protection and sustainability through the education of visitors and local residents.

Has a sound process of balancing – rating and classification.

Is as strict as it needs to be and specific.

Covers the absence of state control on the compliance with all the rules and laws regarding the use of the coastline and beaches - control mechanism.

Corresponds to the real needs of the beaches of the Mediterranean Basin.

Has a system of promotion and advertisement of Sustainable Beaches.

## **CONCLUSIONS**

The Costa Nostrum® standard certification for the sustainable development and management of Mediterranean beaches is an innovative and pioneering tool aiming to protect the environment of the coastal areas - the coastal zone, and assist the economic development of the wider region around the Costa Nostrum® sustainable beach and the cohesion and prosperity of the region's society.

This model can be adopted and implemented by all the municipalities or regions in the Mediterranean countries as well as by private entities - businesses like hotels for example, which administer some beaches without contrasting and conflicting with the respective state laws. It is designed in such a way that all beaches can potentially qualify as Costa Nostrum® sustainable beaches, providing they meet the basic criteria - indicators of the standard certification.

The benefits that can arise by enacting one or more beaches as Costa Nostrum sustainable beaches are diverse, very important and cover all three aspects of sustainable development by helping significantly the development and evolution of the coastal area (Zisimopoulos, 2015).

On the economic level:

Increased number of visitors to the Costa Nostrum Sustainable Beaches.

Increased income for the managing entity of the Costa Nostrum Sustainable Beach.

Creation of new jobs.

Increase in other types of tourism such as Ecotourism.

Increased added value for the Costa Nostrum® Sustainable Beach.

Global advertising of the Costa Nostrum® Sustainable Beach and the region through the website [www.costanostrum.org](http://www.costanostrum.org) and the Mobile Application.

Surplus value on land adjacent to less popular beaches which, upon certified as Costa Nostrum® Sustainable Beaches will bring benefits for both the landowners and municipalities.

Linking Costa Nostrum® Sustainable Beaches with local businesses – craft industries and cooperatives producing traditional products.

Advertising and promotion of local - traditional products worldwide.

Connecting the visitor of a Costa Nostrum® Sustainable Beach with the mainland and its cultural identity with direct effect in the number of visitors to businesses and other tourist attractions of the region.

Direct economic effect in the region by the promotion of the quality - cultural characteristics of each area:

Increased turnover for the nearby Tourism Businesses.

Unemployment reduction.

Increase of state revenues, through the collection of indirect and direct taxes.

In the environmental level:

Informing and raising the awareness of the visitors of the beach and the residents of the region.

Protection of the Environment and the Ecosystems in the coastal zone.

Protection of Natural Resources - Flora and Fauna.

Cleaner Beaches.

Increase of recycled and composted material - better waste management.

More appropriate and better management of hazardous Biological Waste such as nappies.

More appropriate and better management of cigarette butts.

Protection and Conservation of protected species such as the Caretta - Caretta turtle.

CO<sub>2</sub> emissions reduction due to the use of Public Transport and Bikes to access the Costa Nostrum® Sustainable Beaches.

At the social level:

Increased satisfaction of bathers – visitors of the Costa Nostrum® Sustainable Beaches.

Conservation and promotion of local culture.

Better service quality.

Increase and consolidate the egalitarian sentiment since specific social groups like disabled people, pregnant women and elderly people will have equal access to the Costa Nostrum Sustainable Beach.

Better control of the businesses operating within the coastal area and the employees who work in them.

Compliance with all the essential rules and law requirements verified by the annual audits which will be carried out as part of the standard.

Increased social cohesion.

Increased security in the Costa Nostrum® Sustainable Beach resulting from the information provided to the visitors - bathers on potential dangers and by hiring qualified personnel for the Costa Nostrum Sustainable Beaches.

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KASPAR' S SYSTEMIC APPROACH AND THE COMPETITIVENESS OF THE GREEK TOURISM

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**Abstract**

At nowadays, where the modernized economy based on networks, Max Weber's theory about the organization as a rigid structure with fixed rules and procedures begins to decompose. In the rapidly changing world of e-commerce, companies must be much more protean and capable to transform simultaneously in order to conform in the new economic conditions. In this new fact, the systemic approach of Kaspar, where tourism consists an open, flexible and interactive system, obtain greater potential.

In the first part, we attempt to analyze Kaspar's systemic approach and its implementation effectiveness in the Greek Tourism. This systemic approach refers to an open system model, as an open flexible structure that interacts with its environment. In this context, we present the operation of tourism enterprises and tourism destinations through their interactions with the environment, as designated by the systemic analysis of Kaspar, having as reference the Greek economic and tourism reality.

Competitiveness has become a central point of tourism policy. As tourism activity intensifies and competition increases, tourism policy focuses on improving competitiveness by creating a statutory framework to protect resources, and monitor, control and enhance quality and efficiency in the industry. Within this context, various organizations and academic researchers developed and suggested frameworks and models to enhance and assess tourism competitiveness. One of these models is the Travel and Tourism Competitiveness Index. Tourism indicators will be investigated to provide a measure of the past and current activity of Tourism in the Greek economy.

This paper aims to illustrate the importance of tourism as an economic activity and investigate the potential competitiveness effects of the Greek tourism destination, in the context where tourism is perceived as an open and interactive system.

**Keywords:** Kaspar's systemic approach, Tourism Indicators, Competitiveness, Regional Development.

## **1. Introduction**

The purposes of this article are: (i) to analyse the systemic approach of Kaspar and (ii) to identify and highlight the competitiveness of Greek tourism destination. In addition to, this paper attempts to relate the above purposes with the environments which constitute the open system of Kaspar. The study's aim is addressed by applying the methodology of critical analysis.

In the first section Kaspar's systemic approach is presented, highlighting the fact that tourism system is an interactive open system, where the economic, political, social, ecological, and technological environment influencing decisively tourism growth and development.

The next section deals with the strategic situation analysis of Greek tourism by presenting the performance of Greece over the last years according to the Travel and Tourism Competitiveness Index (TTCI), and presenting the interventional strategies to demonstrate its competitive position.

The last part is devoted to prove that the most important benefits of considering tourism as an open system, are the growth of tourism enterprises and the regional development. Therefore, the competitiveness strategies of Greek tourism coincides with those of an open and interactive tourism system.

## **2. Analyzing the Tourism System structure by C. Kaspar**

Tourism evolution coincides with the most widely accepted political, economic, social, environmental and technological dimension. This dimension refers to the structure of the tourism system, elaborated by C. Kaspar (1976), in an approach based on a systemic analysis (Varvaressos, 2013:50-53).

According to C. Kaspar, the tourism system is composed of two subsystems:

- A) The subject of tourism, which activate the demand of tourist services (tourist-consumer)
- B) The object of tourism. This subsystem includes three variables: the tourist resort, tourist enterprises, and tourism organizations.

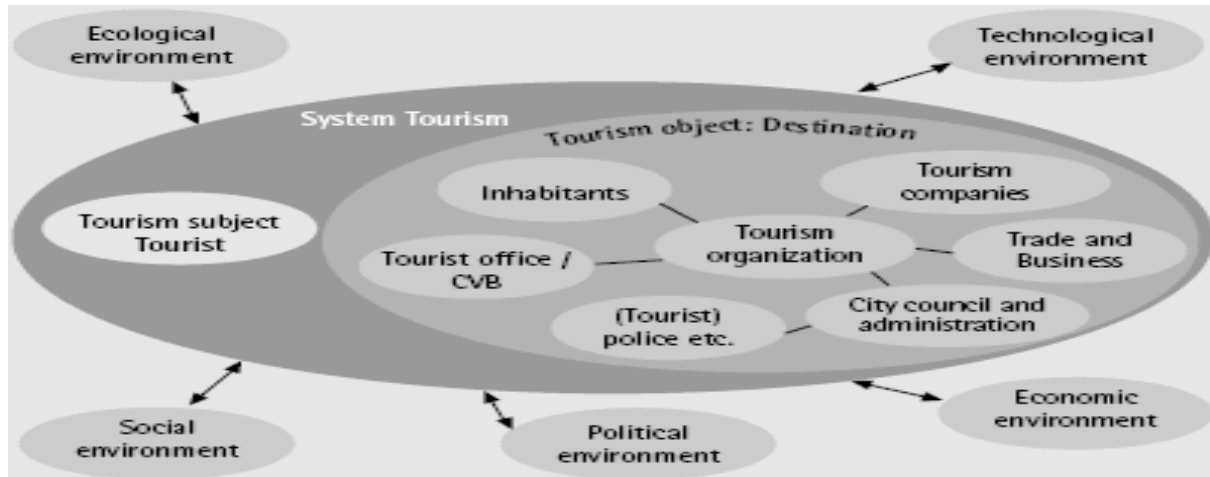
These two subsystems are in a constant interaction and interdependence. Therefore, the tourist activity is structured in different sections that are mutually interdependent and form a structured and well-organized system. A systemic analysis of Tourism by C. Kaspar indicates that the tourism system is an open system, which is characterized in interdependence with the other systems above.

- The most important systems (environment) are:
- The economic environment (Economical)
- The political environment (Political)

- The social environment (Social)
- The technological environment (Technological)
- And the ecological environment (Ecological)

This integrated approach, which facilitates the understanding of the tourism phenomenon, considers as incentive the tourist-consumer. The tourism system determined and simultaneously influenced by the elements of its subsystems, (tourist enterprises), while simultaneously performed an interaction and connection of effects with the existing environment.

Figure 1: Kaspar's Tourism System Structure Analysis



Source: Kaspar,1976.

The external environment of enterprises includes all those external elements and affects either directly or indirectly.

### 3. The Economic Environment

Tourism consists one of the largest and most dynamic sectors of the global economy, marking a continuous increase and diversification with the emergence of new countries-destinations in the world tourism map. Economic growth and rising living standards in several countries, have contributed to an increase in disposable income, improved infrastructure and transport. The evolution of tourism determinant of social and economic progress has resulted an integral part of international trade. The receipts from foreign tourism ranks fourth worldwide (IOBE, 2012: 7).

According to a survey of the Greek Statistical Authority (ELSTAT), in 2013 Greece was facing high unemployment rate stood at 27.5%. The first quarter of 2014 the figure was 27.8% in the second quarter raised up to 26.6%. (Greek Statistical Authority, 2014). The dynamics of tourism in Greece and its growth state tourist employment around 800 thousand employees (direct, indirect and consequent employment).

The integration of the major sub-sectors of the tourism circuit shows that the tourist productive circuit reaches 88.700 companies. Taking into account a large number of companies and organizations with special tourist and cultural infrastructure by aquariums, sports, museums, collections and exhibitions, as well as a large number

of retail and specialized retail outlets is conservatively estimated about 40,000. The number of production units reaches 129,000 units representing approximately 18% of all production units in the country.

The tourism receipts amounts up to 51.2% of the trade deficit and contribute to 16.4% of Gross Domestic Product (GDP). (SETE, 2014). According to forecasts of SETE for 2014, tourism receipts are expected to be 13.5 billion. Referring to the first half of 2014 we assume that the tourism receipts increased by 13.4%, and the balance of travel services by 12.6%.

Based on the available data of SETE on international air arrivals at major airports, continues the impressive increase of + 15.8% in tourist arrivals level for eight months in 2014, compared to the same periods in 2013 (<http://www.traveldailynews.gr>).

Furthermore, the travel services balance showed a significant surplus of 2.916,5 million. Euro in the first half of 2014 compared with the first half 2013 was 2.589,4 million. Euros, up by + 12.6% compared to a high increase by + 26.8% made in the first half of 2013 (<https://www.hol.gr>).

In 2013, 63% of tourism businesses operated without encountering operational difficulties and for the year 2014 the rate decreased by 8%. 1/5 business argues that the reduction resulted from the lack of demand and 17% of the lack of investment (IOBE, 2014).

### 3.1. Travel and Tourism Indicators

The key role of tourism in the Greek economy has been highlighted by SETE (2013): Tourism contributes 16.2% to the GDP, covers 51.2% of the trade balance deficit, employs 1 out of 5 residents, and generates 34 billion euros total demand. This subsection presents Travel & Tourism (T&T) indicators that aim to provide a measure of the past and current activity of T&T in Greek economy. The contribution of tourism to Greek economy is shown in table 2.

*Table 1: Tourism Industry in Greece - Main Indicators (Year 2013)*

Indicators	Year 2013
International Tourist Arrivals	16.4 millions
International Tourism Receipts	11.23 billion €
Contribution to GDP	16.2%
Contribution to employment	18.2%
Average per Capita Tourism Expenditure	646 €
European Market Share	2.9%
World Market Share	1.5%

Source: SETE (Greek Tourism Confederation), 2014

The tourism industry has been and still is one of the main pillars of the Greek economy over a period of more than forty years. It has been proved that tourism industry has supported and still does economic development

because the industry cuts across and is linked to many other industries, and its benefits are widely distributed within national economies. In comparison to other industries, it possesses distinct advantages as a driver of economic development (Oxford Economics, 2012). More specifically: (i) tourism has strong linkages to other industries within national economies generating significant indirect benefits; (ii) it is highly dispersed within national economies and its benefits are widely distributed; and (iii) it generates valuable spinoff benefits by developing infrastructure that other industries can use, and by boosting investments in other industries.

#### **4. Political Environment**

The political environment includes the system, the institutions and the political situation of the state.

The Ministry of Economics, Infrastructure, Maritime and Tourism is the competent government body in tourism, (Law 2015). Under its supervision there are a few boards, such as the Greek National Tourism Organization (GNOT), the Hellenic Chamber of Hotels (Tourism Education and Training). In addition to, the Association of Greek Tourist Enterprises (S.E.T.E)

Indicatively, as a part of the applied Greek tourism policy constitute the new Law Draft "Special Framework of Spatial Planning for Tourism" (Gov. Gazette 1138/V/2009). The Special Framework of Spatial Planning for Tourism (Gov. Gazette 1138/V/2009) aims primarily at creating or improving the conditions of prosperity and quality of life in the country's regions and communities. Therefore, it sets directions, rules and criteria for the spatial structure and the organization of tourism in Greece and determines the necessary infrastructure. In this way, a realistic action plan for the next 15 years is formulated (2009 - 2024). A draft Joint Ministerial Decision has been set (from 09/03/2012) for Public Consultation, approving the Special Framework for Spatial Planning and Sustainable Development for Tourism and Environmental Impact Assessment, evaluating the experience gained from the implementation of the relevant Ministerial Decision of 2009.

##### **4.1. Educational Programs**

Tourism contributes to the promotion of social cohesion by offering development and business opportunities particularly in areas of the country, such as islands, which are characterized by depopulation, while enhancing the standard of living through the jobs it creates. This highlights the importance of tourism education and training, which should be developed in Greece as part of tourism quantitative and qualitative upgrading (IOBE, 2013: 5.7).

##### **4.2. Sponsored employment programs**

Also important is the impact of tourism on employment, since several professions are affected directly, but also indirectly from tourism development, and mobilize a significant number of production units working to meet the demand created. The tourism education and training can contribute substantially to upgrade the quality of Greek tourism product, (IOBE, 2013: 5.6).

At a time when the effects of the economic crisis reflected in a largely negative way in the labor market, sponsored employment programs in the tourism sector, enhance entrepreneurship and create new jobs. The above employment programs are part of a new development model, in which tourism should play a more active role for the country's economic development.

## **5. Social Environment**

The social environment includes social structure, social organizations, demographic elements, trade union actions.

The tourist arrivals can influence in the tourism destination, as follows, (Varvaressos, 2000):

- the structure and the operation of social organizations
- the local value stratification
- the behavior of residents

In 2014 there was an increase of tourists from France (1.152 thousand/ 2013). Also slight rise showed the German market (2.267thousand/ 2013) and especially noticeable was the increase of tourists from the United Kingdom (1.846thousand/ 2013). Of the rest of the world growth trends were recorded mainly from the USA (467 thousand/ 2013) and Russia(1.353thousand/ 2013). This situation is the result of:

- a) A stable and moderate promoted image abroad,
- b) Social, political and economic instability which adjacent known tourist destinations face (Egypt, Turkey, etc.)
- c) Development of alternative new (or not) forms of tourism.

In contrast with the high tourist arrivals, the Institute for Tourism Research and Forecasting (ITEP) noted that 74% of Greeks went holidays 2013, as envisaged in 2014 (Dawn, 2014).

## **6. Technological environment**

It is a basic requirement for maintaining a company's competitive position in the market. There are three main areas of technological environment to be taken into account when making decisions (Buhalis, 2001, Poon, 1993)

- The innovation process: is a term more economic rather than technological. It consists the notion, through which the company creates new resources or improve the existing ones. Innovation, therefore, as a dimension of technology is an important development tool for modern businesses.
- The technology transfer process: in businesses technology transfer process becomes either gradually or radically depending on the managerial evaluation of the possible reactions and the adapting of the employees.
- The current state of technology: refers to the most recent technological evolution, although the evaluation of the needs assumed as a prerequisite necessity.



Furthermore, the introduction and implementation of new technology in a business, is a major concern of managers, mainly because of the potential impacts, as it constitutes changes in many levels, such as employment situation, working conditions, product differentiation (Buhalis, 2001, Poon, 1993). Technology, Internet and especially the social media play an important role in the tourism sector. A positive impact of using internet services which invades more and more in hospitality businesses, is a fact. This method is evolving rapidly, although in Greece according to the results of the European Study of Hospitality Services 2014, only 24.6% of the reservations made by this way, when in competitor tourism destinations such as Italy and Spain, the rates reach 40.5% and 36% respectively.

## **7. Ecological environment**

The ecological environment consists of the natural environment and ecological characteristics and problems.

The climatic changes projected to affect the Mediterranean countries in the following years will bring significant reduction of tourist arrivals. Reason for that could be the rising temperatures, the reduced summer rainfall and the increased winter rainfall. Possible consequences may be fires, floods, tropical diseases etc. These changes significantly affecting tourism and hospitality issues, consequently there is a tendency to use friendly environmental policies (Melisidou, Varvaressos, 2004).

Some of the business subsidy programs in which enterprises can participate, in order to implement “green development”, are:

- Operational program “ Environment & Sustainable Development” (EPPERAA)
- Development Law 3299/2004
- Operational program 'Competitiveness and Entrepreneurship (OPC II PRIORITY AXIS 4)
- Project "Green Tourism"

The Ecolabels for tourism enterprises, are listed below:

- AISE Charter for Sustainable Cleaning
- BIO Hellas
- BIO Suisse
- Blue Angel
- "The Green Key" Ecolabel

## **8. Competitiveness: Concept and its Evaluation**

Competitiveness is a comparative concept of the ability and performance of a company, industry, sector or country to sell and supply goods and/or services in a given market. The concept is widely used in business management and economics. Competitiveness captures the awareness of both the limitations and challenges posed by global competition, at a time when effective government action is constrained by budgetary constraints and the private sector faces significant barriers to competing in domestic and international markets. The Global

Competitiveness Report of the World Economic Forum (WEF) defines competitiveness as "the set of institutions, policies and factors that determine the level of productivity of a country." (WEF, 2011: 2).

### 8.1. Tourism Destination Competitiveness

Through the analysis of the structure of Greek tourism system according to the systemic approach of Kaspar, and the assumption that tourism is an open system that receives interactions from the environment, competitiveness is formed in tourist destinations.

According to Vanhove (2011), the concept of competitive destination contains two elements: destination and competitiveness. A tourism destination is a well-defined geographical area within which the tourists enjoy various types of tourism experiences. It is believed that competition in tourism is mainly between clusters and not so much between countries (Sotiriadis, 2012). Applied to tourism the concept of Porter's cluster, it might be defined "as a group of tourism attractions, enterprises and institutions directly or indirectly related to tourism and concentrated in a specific geographical area" (Vanhove, 2011:108). Competitiveness has become a central point of tourism policy. As tourism activity intensifies and competition increases, tourism policy focuses on improving competitiveness by creating a statutory framework to protect resources, and to monitor, control and enhance quality and efficiency in the industry. Within this context, various organizations and scholars developed and suggested frameworks and models to enhance and assess tourism competitiveness. One of these models is the Travel and Tourism Competitiveness Index (TTCI).

### 8.2. The Travel and Tourism Competitiveness Index - TTCI

The TTCI is a holistic platform, jointly developed by international bodies and organizations (i.e. the WEF, IATA, UNWTO, and WTTC). This tool has been developed within an effort to better understand the drivers of T&T competitiveness and the challenges that face the industry. The aim and objectives of the TTCI are (Dwyer et al., 2011): (i) to help to explore the factors driving T&T competitiveness worldwide, thus providing a basis for implementing policies on a country-by-country basis; (ii) to provide a comprehensive strategic tool for measuring the factors and policies that make it attractive to develop the T&T industry in different countries; and (iii) to provide benchmarking tools that enable countries to identify key obstacles to competitiveness, and to provide a platform for dialogue among government, business and civil society to discuss the best ways of removing them. Its results can be used by all stakeholders to work together to improve the industry's competitiveness in their national economies, thereby contributing to national growth and prosperity (WEF, 2011). It is believed that TTCI is a useful initiative that allows different countries to assess their performance (i.e. destination competitiveness) against other countries at various levels of development. Further, TTCI is a useful basis for policy making to enhance tourism's potential as an engine for growth. This framework was used to evaluate the performance of Greek tourism industry.

### 8.3. The Competitive Position of Greek Tourism

This section presents the country's performance on the TTCI and its various components. The competitive score and ranking for Greece over the last years are shown in table 2.

*Table 2: TTCI for Greece (Years 2008-2013)*

Year	TTCI GREECE	
	Rank (out of 140)	Score (1-7)
2008	22	4.9
2009	24	4.9
2011	29	4.8
2013	32	4.8

Source: WEF, 2008, 2009, 2011 and 2013

From the above table it is evident that the competitive position of Greece has been deteriorated over the last six years. Greece is facing competition from traditional and emerging destinations, active in the global tourism arena and aiming at market shares. That is why it is necessary to reposition the Greek tourism offering in the global market by improving, differentiating and enriching its offering (Varvaressos and Soteriadis, 2011a). The evaluation of performance of Greece and of its main Mediterranean competitors (Spain, Croatia, Turkey) in terms of TTCI is depicted in the following table 3.

Table 3: The TTCI in detail (Year 2013)

COUNTRY	GREECE		SPAIN		TURKEY		CROATIA	
INDICATOR	Score	Rank	Score	Rank	Score	Rank	Score	Rank
1 <sup>st</sup> pillar: Policy rules and regulations	4.2	98	4.5	67	4.9	34	4.2	96
2 <sup>nd</sup> pillar: Environmental sustainability	4.5	72	5.2	25	4.3	95	4.9	44
3 <sup>rd</sup> pillar: Safety and security	4.7	69	5.7	23	4.6	79	5.3	38
4 <sup>th</sup> pillar: Health and hygiene	6.4	13	6.1	24	4.9	64	6.0	31
5 <sup>th</sup> pillar: Prioritization of T&T	5.2	28	5.9	10	4.5	63	4.5	61
6 <sup>th</sup> pillar: Air transport infrastructure	4.7	20	5.3	10	4.5	29	3.0	68
7 <sup>th</sup> pillar: Ground transport infrastructure	4.0	58	5.9	10	4.1	52	4.1	53
8 <sup>th</sup> pillar: Tourism infrastructure	6.8	3	6.7	5	4.8	45	6.7	5
9 <sup>th</sup> pillar: ICT infrastructure	4.3	33	4.5	28	3.1	71	4.3	30

10 <sup>th</sup> pillar: Price competitiveness in T&T	3.6	127	4.1	106	4.0	112	4.0	109
11 <sup>th</sup> pillar: Human resources	5.0	50	5.2	34	4.9	68	4.6	93
12 <sup>th</sup> pillar: Affinity for T&T	4.8	55	4.9	39	5.0	35	5.1	29
13 <sup>th</sup> pillar: Natural resources	4.2	40	4.8	29	3.4	78	3.8	56
14 <sup>th</sup> pillar: Cultural resources	4.3	25	6.6	1	5.2	19	3.9	32

Source: WEF, 2013

The above indicators constitute the factors of an open system which is represented by the systemic approach of Kaspar.

Therefore, the proposed strategies contribute in the improvement of Greek tourism destination's rank, in the context of international competitiveness can focus on two subsystems (Varvaressos, Melisidou et al.: 2013).

- a. Tourism Enterprises and
- b. Regional Development.

## 9. Greek tourism destination and interventional strategies

This integrated review of the Greek tourism reality, simplifies the notion of tourism system structure and considers that the main motive is the tourist – consumer.

In the Greek case, tourism as an open system could accept interventional strategies, which can operate “therapeutically” in the specific sub-systems, and in whole tourism system. The above strategies considered as:

- a. Tourism Enterprises
- b. Regional Development

### a) Tourism Enterprises

The internal environment includes those elements of the environment with which the tourism destination tourist business develops trade or receives and carries direct interactions. The key elements are (Okumus, Altinay, et al.: 2010):

- The competitors of the undertaking in products and supplies market
- The suppliers of materials or services
- Customers and consumers
- Banks and other creditors
- Trade unions
- The cooperating companies or bodies
- The government agencies.

- The state tourist bodies at national, regional and local level.

The elements of the organization that is available to be used in achieving its objectives, are the resources of the organization. These resources are divided into human, physical, technological, and financial resources.

## **b) Regional Development**

The interaction of the consumption of the tourism product with its regional base is one of the main characteristics of the activity, showing the fundamental role it plays in the strategies for regional development. In most economic activities, it is the product that reaches the consumer, but when it comes to tourism, it is the opposite in that the consumer seeks for tourism services. Because of this characteristic, tourism has a heavy impact on regional development. From this perspective, tourism and regional development are interconnected because they take place if the regional socio-cultural and environmental characteristics are respected where the activity takes place.

## **10. Conclusions**

The Kaspar's system approach is fostering tourism development strategies in a regional level, by introducing a great amount of environments which are interconnected and act interactive within them, having as reference tourism enterprises and the tourist-consumer(Varvaressos, Soteriades : 2011 b).

The most important benefits of considering tourism as an open system, where the specific government policies fostering the competitiveness indicators, listed below:

- Acquisition of new clients due to the "green" trend in the industry by creation of green brands/ Ecolabels to stand out;
- Easier founding if the regional development principles are being applied into companies strategy;
- Lowering the cost of the companies activities by improving their efficiency;
- Encouraging qualified employees to join the companies as there are becoming more attractive;
- Higher competitiveness and quality in the tourist product/ services;
- Long-term regional development;
- More advanced technologies.

The improvement of indicators competitiveness can be achieved if the applied strategies of the Greek tourism policy consider that tourism is an open interactive system, where various environments effect positively in the tourism destinations, enterprises and tourist consumers.

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## THE IMPACT OF PRODUCT INNOVATION UPON RECREATIONAL CULINARY ENTERPRISES

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### **Abstract**

The tourism business sector is highly dependent on the human factor. The most components of the tourism product are services which are offered by the employees. The services are not what most of us experience. Part of those services, are the polite behavior, honesty, willingness and an attitude that makes the service a positive memorable experience.

The employees need to have the equivalent motivation in order to demonstrate a specific desired behavior and repeat it when necessary. On the other hand there have to be a few anti-motives that will prevent non desired behaviors to be exterminated. The management of a tourism enterprise needs to comprehend the behavior motive and anti-motives to lead the employees to the desired behavior and assure the automatic adjustment of the employee to the given circumstances.

**Keywords:** Motives, behavior, employee, productivity

### **Introduction**

The employees' effectiveness is affected by several factors. Some factors have to do with the working conditions (wages, working environment) and some other have to do with the employee himself (knowledge, ambition).



An enterprise can affect many of those factors both regarding the working conditions and the employee's psychological elements. For instance larger wages, on the job training, bonuses can increase the employee's interest in his job.

In cases of a manager who faces non normal behavior from an employee, the questions why it happened and how to react against it have to be answered. Thus the behavioral motives must be known to a manager.

Tourism businesses are those which mostly serve tourists. A major characteristic is the intangibility of the services which makes them consumed at the moment of their production. Therefore the interaction between guests and employees is constant.

Productivity is the quantity and quality of work produced by an employee. Productivity in the tourism sector has a broader meaning since it contains good manners, willingness etc. The extent of productivity's meaning leads to the need for knowing the behavioral motives, to ensure the guests' satisfaction.

Another impact of the product's intangibility in the tourism sector is the up and downs in the work flow. It is essential that the quality is not affected by the increased demand for the offered services.

A manager, needs to know the motive for the employees' behavior so as to improve the operational policy, select the appropriate candidate for a position, or offer a series of potential benefits to improve productivity.

### **The motives**

Aristotle believed that the reason for our behavior is our needs. Determinism is the fundamental principle for our actions, since there is always a reason for our actions and the final reason is to reach happiness. Plato believed that the behavioral motives are physical (desires) and psychological (knowledge)

A few anti-determinism theories indicate that the human decides for his behavior depending on his reason and emotion. Psychology<sup>1</sup> determined the human behavior as inherent urges that were called instincts. From the 1960's there are developed several theories regarding the behavioral motives, categorizing them as internal or external, emotions, ideas, outcomes of knowledge or will.

The motives lead to action for the achievement of a goal. The impact of the motive is neutralized when the goal is achieved or abandoned.

For example someone feels hungry. This person heads for the kitchen and finds a desert on the kitchen table and the person satisfies the hunger. On the other hand someone may see the desert on the table and eat it without being hungry. In the first case the motive is internal and in the second case it is external.

Some motives are quickly satisfied (hunger, need for sleep) and some others take longer (professional achievements).

### **Instincts and urges**

Humans are born with their instincts. Instincts are denoted as urges, needs or internal motives. The instincts are noted as urges, needs, and internal motives. Those urges are divided into physical and social. The physical urges are the need for food, water, sleep and the social are the needs for interaction with other humans. Those urges, determine to a great extent the human behavior. Other urges are the mobilizing urge, the self-protection urge and the cohabitation.

Social are the urges of power, ambition and glory. Those urges last for a long time so they are called tendencies.

### **Conscious and non conscious behavior**

The humans do not comprehend the motives<sup>1</sup>. They often follow non conscious<sup>1</sup> urges, reacting automatically without considering the outcome of a notion. Non conscious behavior lacks self knowledge and leads to out of control actions

Those non conscious urges release energy for their expression. This energy is motivating. There are a few cases in which someone is withheld by his conscience behaviorally. A waiter is hungry, though the conscience stops him from eating the guest's food.

The urges lead to vital actions which on the other hand may prove to be harmful. This is where conscience often takes control in order to avoid the harm and satisfy the need. Thus we tend to control our urge and deploy a plan to satisfy our need to the maximum.

There are possibilities that an urge may be suppressed by the conscience and still not be satisfied. In this case the energy waits until externalized. The reaction is having non conscious visions or even physical disease.

An employee may behave oddly. This behavior has a reason that lies in the non conscious part. Even jokes and funny stories contain a non conscious urge that needs to be expressed<sup>1</sup>. Overreactions of employees are expression of a non conscious urge against a task. Extreme reactions are attempts to control those non conscious urges. Those reactions are a wide tank of information for managers regarding the employees' usage.

Some persons face their non conscious urge and use the conscious to satisfy their needs. Those persons tend to take action and face each situation realistically<sup>1</sup>. Some other persons give up easily on the satisfaction of their urges and tend to be lazy and avoid reality..

### **Physical urges**

Part of the physical urges is the wages receiving. The satisfaction of the physical urges, have a quantitative and a qualitative perspective. The wages are connected with the social urges' satisfaction to some extent.

An important urge is the economy urge, which aims for the maximum effect with the minimum effort. This urge can clarify the behavior of employees who tend to maximize their gain with the least possible offer. This urge tends to be manipulated by the conscience.

Humans tend to economize but tend to put the demanded effort for a certain outcome. The gain (wages, bonus) for an employee should be connected with his productivity. His urges will lead to intense actions in order to maximize the gain and at the same time increase the effort and his efficiency.

The employee tends to be non efficient under the condition of not having penalties for the reduced productivity. A manager can react by three main models. The manager can check the employee on the job, manipulate the employee's gain and generate positive urges towards the actual work. The recognition of an employee's value, a promotion, the good social positioning among the colleagues are key urges that can lead to specific behavior.

The sexual prototypes and the acceptable sexual behavior in the working environment can lead to certain behaviors and they are related to each social environment<sup>1</sup>.

Sexual urges can lead to behavioral mistakes. The sexual urges are based on strong feelings and emotions. Erotic relations among the employees can be a ticking bomb for a tourism enterprise. Several companies prohibit the sexual relations among

the members of the personnel. The sexual urge contains some energy. This energy has to be exterminated under some control<sup>1</sup>. The opposite will lead to non comprehensible behaviors within the enterprise which will neglect the management.

The self protection urge<sup>1</sup> tends to function in an aggressive manner. The pressure, the competition and cut wages lead to aggressive behavior. This behavior tends to be expressed to both colleagues and guests with negative outcomes<sup>1</sup>.

The social urge is important for the tourism sector. This urge tends to lead persons to behave in a manner that will form a group. That behavior is crucial in servicing.

The urge of motion leads humans to act since action is a meaning of life. Persons motivated by the urge of motion are highly effective in any working environment.

The urge of curiosity can lead to an exploring behavior. It is important though, not to invade the guests' personal space. Employees like waiters or barmen who tend are obliged to converse with the customers under difficult conditions such as drunkenness<sup>1</sup>.

### **Social urges or tendencies**

Those tendencies are developed from the cohabitation of the humans. They have a more permanent nature and they assist the physical to some extent.

The tendency of possession leads to acquisition of items that will satisfy a physical need.

Humans are affected by the tendency of power. That tendency leads a human to controlling his environment<sup>1</sup> and is often seen in a working place when an employee tends to control the rest of the team. Some cases are normal like a superior controlling his inferior. In cases when this is not happening there is a hierarchical disruption. That hierarchical disruption leads to anarchy and poor performance.

The tendency for ambition is close to the tendency of power. Ambition is a positive urge. The ambition should be manipulated in order to avoid negative behaviors regarding the means of achieving that goal. Flattery and slander can disorganize an enterprise.

The tendency for recognition leads the employees to improved performance, since this results in the team's recognition to a person.<sup>1</sup> Increased wages, bonuses and material items are often used in proclaiming that recognition<sup>1</sup>.

Humans demonstrate cultural tendencies. Justice, truth, knowledge, moral satisfaction, avoiding guilt and aesthetic enjoyment are some of those tendencies. Those tendencies are crucial for the tourism enterprise since they determine the cultural level of the enterprise via the cultural level of the employees.

Justice means more than a cultural tendency. Justice is a factor that can make the difference from failure to success. A just enterprise can provide the employees with the motive to improve their productivity and invest much more effort in their work<sup>1</sup>.

The moral satisfaction can lead to increased performance. This tendency is equally valuable to the employee as the wages.

### **The force of habit**

The urges can be taught to humans. This tuition leads to developing a habit. Those habits lead to specific behaviors. The employees use the most efficient habits. The more efficient a habit, the more usable it becomes.

External conditions lead the employee to select a habit as a reaction. Habits can provide a manager with the expected reaction from a person in a given set of conditions.

Behavioral motives are a combination between habits and urges. The more intense the urge, the stronger the habit becomes<sup>1</sup>. A hard working employee works overtime (habit) and he needs money (urge). An extra paid shift will increase his excitement. The wages are dependent on the productivity, thus the employee will try harder. An employee is acting when the urge is strong enough.

The level of tension of an urge can lead to stress<sup>1</sup>. Stress can lead to incorrect reaction and finally the opposite outcome<sup>1</sup>.

Stress can lead to wrong estimation of the effort and time needed for a task to be completed. Easier and known tasks are preferred and new unknown ones are treated alike the old tasks. The employee needs to pay attention to any differences in the production process in order to avoid the increase of the stress's level<sup>1</sup>.

Employees with lower levels of stress should be appointed with more demanding tasks compared to persons with higher level of stress who should be appointed with less demanding tasks<sup>1</sup>.

Habits in the working environment are a tool that allows an employee to execute a task with automatic notions. That can diminish the time needed for that task, improve performance and guarantee a certain result.

Habits can provide the employee with confidence that a demanding task is easily executed<sup>1</sup>. That can make chefs and barmen a spectacle while they are working.

Automated operation for the employees of the tourism sector has a drawback. Automation leaves an emotional gap, which needs a larger or an extra urge to be filled.

### **Reward and punishment as motivational factors**

According to the theory of motives, behavior is the outcome of a stimulus connected to its answer<sup>1</sup>.

The behavior is dependent to the memory of previous experiences<sup>1</sup>. If an action is rewarded, it will be probably repeated. Reward is the gain of a benefit or avoidance of a loss.

Punishment on the other hand ensures that a behavior will not be repeated. The managers should be aware of the complex of rewards and punishments that can be used in order to manipulate the employees' behavior.

The reward<sup>1</sup> should be connected to a specific behavior, to generate its repeat. Except from the result of the behavior, the attempt should be rewarded as well

The reward should be offered spontaneously and provide a range of options. It may not be a pay-rise, it may be recognitions among the team, promotion and other positive reactions. An employee will consider that the rewarding system is to be trusted and put more effort in his obligations. It is important for the employee to trust the enterprise in reward issues. The reward tends to guide all of the employees to specific behaviors.

Contrary to the reward, punishment is used for avoiding specific behaviors. The punishment alike the reward should be equivalent to the achievement or the loss<sup>1</sup>. The punishment could be the final stage of the action an enterprise can take. A threat of the punishment in many cases is enough. If not the employee may be reprimanded or even fired..

The reward should follow the behavior. If the reward is provided prior the behavior, the demanded behavior will seem like a punishment<sup>1</sup>. In cases when the employee is rewarded and then asked to execute a task that is hard and demanding beyond the regular standards of the employment, the employee tends to feel like being punished for no reason.

### **Interaction between external and internal motives**

The internal motives lead to a predefined behavior that will satisfy the need. The need's satisfaction comes from the environment<sup>1</sup>. The environment will become the field of the external motives<sup>1</sup>. A person needs money and decides to get a job. The need for money is internal motive, though the market where this person will search for the working position is the external motive that will satisfy the needs.

The internal motive serve the basic needs for the organization and the external serve a wider range of needs and wants<sup>1</sup>.

Setting targets refer to external motives. If a behavior is not connected to a reward the motives are internal for this behavior<sup>1</sup>. It is possible that the internal motive become external.

Any reason that enhances the chances of displaying a certain behavior is called behavior amplification<sup>1</sup>.

The reward (wages) for the employees is given once a month for a series of tasks which take place throughout the month<sup>1</sup>. In this case the employee is working with the expectation of the reward. The expectation is a fundamental motive for the human behavior<sup>1</sup>.

The expectation is an external motive. The waiters tend a banquet and there are a few bottles of wine unfinished. Supposing the waiters are allowed to drink the wine after their shift, their experience will be a positive one<sup>1</sup>. The expectation of having the same positive experience, rises the employee's will to participate in another banquet<sup>1</sup>.

The expectation has to be fulfilled. The opposite will motivate the opposite behavior. Supposing the employee is not paid at the end of the month, he is not likely to continue working.

The motives are not common for every person<sup>1</sup>. Moreover a person is not led to a non changeable behavior by a certain motive<sup>1</sup>. That happens due to the fact that human needs change over the time. Thus the selections made are affected by the existing needs.

The effectiveness and the productivity of an employee, are dependent on the external and internal motives of that person<sup>1</sup>.

### **Motivational conflicts**

Humans prefer a balance between their thoughts and actions<sup>1</sup>. The existence of choices disrupts that balance since a selection equals a rejection. Thus the working environment should not put dilemmas on the employees<sup>1</sup>. Adopting a single acceptable method of dealing with an issue or executing a task diminished the number of dilemmas.

In cases when an employee faces a dilemma, there is a motivational conflict<sup>1</sup>. The motivational conflicts tend to reduce the productivity of the employees. The person faces psychological tension, which is normally controllable. The person's efficiency is determined by the control over this tension. The employee will harm the enterprise as a notion of revenge if the control of that tension is lost, even if the employee will be punished<sup>1</sup>. The defensive reaction to that psychological tension is the understanding of the employer's difficulties and the patience from the employee.

In such cases the employee has three options:

- Resign
- Reduce his productivity in terms of quality and quantity
- To strike back at the employer or the enterprise<sup>1</sup>

Previous negative experiences can affect an employee even in a positive environment. The employee tends to be ineffective due to the lack of trust to the new environment.

A different type of conflict is that between facts<sup>1</sup>. That conflict redefines an opinion according to new details regarding an issue. For example a receptionist appreciates his colleague who seems to steal money from the tips<sup>1</sup>. There is a conflict of facts regarding the colleague's integrity.

In case of a person being driven to take a decision or action, there is often an internal conflict.

Humans tend to rethink about their decisions and if the result was not the desired one the options of reaction are the following.

- Acceptance of the outcome
- Decrease of its value
- Regret<sup>1</sup>

In an enterprise the employee may have some personal goals which are not compatible with the corporate goals. That conflict of goals is a state of stress<sup>1</sup> which is called stress of reality<sup>1</sup>.

Every enterprise should provide the employees with reasonable explanations for everything. The corporate operations must be coherent and connected to each one's productivity. There should be no conflict between the employees and the employers since that affects the effectiveness of the labor.

#### **Difficulty level to the appointed task**

Each employee prefers a production role that is not too hard or too easy depending on his IQ, capabilities and experience. Managerial decisions that presage threat to the employee, lead to less effort. Those decisions that presage reward tend to increase efforts<sup>1</sup>. The negative decisions affect the employees' focus and distract the person from his efforts<sup>1</sup>. The employee tends to decrease the efforts, boosting the possibility of decreased efficiency. On the other hand positive decisions have the opposite effect.

The employee's emotional arousal should be maintained in a medium level. Low level of stimulus leads to lack of interest, high level of stimulus lead to stress<sup>1</sup>. The each person's character, play a key role in that process<sup>1</sup>.

Employees tend to prefer tasks with which they are accustomed and the difficulty level is medium<sup>1</sup>.

Ambition is the search for success and goals achievement. Each person defines ambition according to previous experience in similar roles. The ambition determines the difficulty level of an appointed task. Success or failure, redefine the ambition for one person<sup>1</sup>.

Η προσδοκία αμοιβής από ένα αρκετά δύσκολο έργο όταν αυτό ολοκληρώνεται, δημιουργεί θετικά συναισθήματα στον εργαζόμενο. Συναισθήματα υπερηφάνειας και ικανοποίησης. Το κίνητρο που ωθεί τον εργαζόμενο στο να αναλαμβάνει αρκετά δύσκολες εργασίες, The ambition is affected by the reward and recognition expectations. This is called the motive of achievement<sup>1</sup>. The motive of achievement is generated when an employee considers him-self responsible for the positive accomplishment of a difficult task for which he is confident<sup>1</sup>. The value of the task and the possibility of completion, increase the motive's impact<sup>1</sup>. Employees who try to achieve goals prefer tasks of medium difficulty<sup>1</sup>.

The motive of achievement affect persons in their logic via which they recruit the employees that they believe will contribute to the task completion.

Employees may adopt the motive to avoid success<sup>1</sup>. This motive is found in cases when an employee is asked to complete a task that is considered insulting or has to be avoided. For example, asking the waiter to do the plumbing.

A factor that determines the difficulty in the appointed tasks is the self esteem. Persons with high self esteem tend to take over difficult tasks contrary to persons with low self esteem.

### **Obsessed with the target**

Each task normally leads to the next. The selection of an action is based on the strength and sign of the motive, the person's intention and the "distance" between the person and the target<sup>1</sup>.

A stronger motive will attract the employee compared to a weaker motive. Each person estimates the loss and the gain and decides on the expected benefit that will lead to action or not<sup>1</sup>.

The motive may be poorly valued and the action will be postponed according to the value of the motive and the person's judgment.

The employees tend to forget about their achievements. Memories' fading, is a normal process. The achievements that are not accomplished are stronger motives. The memories return in states of stress as a relief<sup>1</sup>. At the presence of a stronger motive, the previous target is neglected. The progress to the target will determine the person's future attempts to achieve that goal or abandon it.

The will to hit a target, strengthens or weakens according to being obliged by another person or choosing to hit that target by oneself. The management should convey the whole of the responsibility to the lower levels of the personnel. The goal that should be accomplished must be combined with the employee's position. The employee must have the appropriate means to achieve the predetermined goal.

The successful actions lead to repetition unlike the failed ones. The reward will define the success and the value of the repetition. A poor reward will act like a failure.

### **Conclusions**

The motives are the reasons for a certain behavior and they play a key role in the effectiveness of a tourism business.

The improvement of the employee's productivity is based on their emotional balance. Thus the corporate goals must comply with the social values and principles. Moreover the corporate operation must be coherent with the set goals.

The satisfaction of the employees' needs is an important factor for the parallelism of the corporate and the employees' goals.

An enterprise cannot alter the IQ and the capabilities of the personnel. An enterprise can increase their knowledge, create a set of positive intentions towards their work and lead them to invest more effort in their activities. The level of difficulty must match each employee and each task for the most fruitful operation.

The enterprise must develop a rewarding system that is connected to the operation and is determined by the productivity. The punishing system is not effective at all, on the contrary the rewarding system is an efficient motivational factor especially when connected to positive behaviors, given promptly, is spontaneous and varies

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## FORECASTING THE TOURISM DEMAND USING TIME-SERIES – A CASE STUDY ON THE PREFECTURES OF WESTERN GREECE

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**Abstract:** The present work studies the well-timed issue of forecasting the tourism demand for the three prefectures of the Region of Western Greece: Achaia, Etoloakarnania and Ilia. The proposed approach consists in finding a proper model, for each prefecture, based mostly on the effectiveness and complexity of the proposed models. Utilizing the official statistical data for the tourist occupancy of all tourist accommodations (except camping sites) from the above three prefectures, for all months between 2005 and 2012, a trend and seasonality analysis has been realized in order to construct suitable models using the well-known ARIMA (Box-Jenkins) methodology. Then a series of statistical test have been employed to select the best fitted model to given data. The forecasting effectiveness of the chosen model is measured using the last twelve observations as a training set. Finally, a 12-period prediction for the three prefectures is proposed.

**Keywords:** Prefectures of Achaia, Ilia & Etoloakarnania, ARIMA, forecasting model, Western Greece tourism.

### Introduction

It is a common truth that tourism is a perishable product which strongly depends on various factors as the current financial status, natural disasters, cultural events, social behaviors, marketing policies etc. In this work the issue of forecasting the tourism demand will be studied in the prefectures constitutes the Region of Western Greece.

Tourism industry in Greece is composed from very crucial economic activities and constitutes a valuable source of earnings; tourism employment, contribution in gross domestic product and multiplier effect investments. A key-factor of Greek tourism industry is its ability to host visitors in various places. Therefore, a desirable task is to forecast monthly and/or annually percentages of occupancy in Greece and in the various regions of this country. Potentially, this task leads to more effective use (allocation) of the available sources for the Greece visitors.

The current global and local financial crisis comes, also, to demonstrate the decisive role of tourism in Greek economy. In fact, Greek tourism managed to maintain its strength and prove to the state - but also the society -

that with an effective support, the sector can become a driving force for the creation of more income in the country and the improvement of the economy competitiveness.

The perspective of local communities to gain strong currency, with high travel receipts fast enough, charms the national government, local authorities and groups of owners of capital, who pursue and encourage tourism. Tourism is an important source of income for many Greek regions, and especially for those with less developed modern service/industrial based economies, such as the Region of Western Greece.

The possibility of forecasting tourism demand at regional and local level, and particularly at different scales of the Region of Western Greece, will give firstly a clear picture of the development of tourism in the study region and secondly the possibility of continuous updating of this picture, and also prediction of the type and intensity of tourism demand (and especially hotel demand), at various spatial scales. So that any attempt for policy making of tourism development, in public and private sector, be based on a reliable depiction of the trends and patterns (such as seasonality) of hotel demand at different spatio-temporal scales. The continuous quantitative and qualitative expansion of such data would allow the formation of a framework for monitoring the evolutionary progress of hotel demand and consumption, and thus will play a key role in creating an integrated system of planning tourism development at regional and local level.

Forecasting is about predicting the behavior of future events (Makridakis & Hibon, 1979; Frees, 1996; Franses, 2004) and plays a significant role in tourism planning. Tourism investments should be based on professional business planning and on achievement vision of the industry future. The tourism industry needs to reduce the risks of poor decisions. One prompt way to reduce this risk is by discerning future events or environments more clearly (Smith, 1995; Burger et al, 2001). Benefits derived from forecasting are imaginable. In the case of forecasts of demands turning out too high, accommodation firms will suffer; there might be, for instance empty rooms in hotels, unoccupied apartments, and so on. If, on the other hand, the case turned out to be that forecasts of demand are too low, then firms will lose opportunities; for example, there may be inadequate hotel accommodation etc. (Chu, 2004). In practice, time series forecasts are extrapolations in future times of the available time series values. A good projection should provide a forecaster with a sense of the reliability of the forecast. A convenient way to capture this sense is the prediction interval, which provides a measure of the reliability of the forecast (Psillakis, Panagopoulos, & Kanellopoulos, 2009). An exhaustive review on forecasting time series can be found in (Song, & Li, 2008).

In this paper, motivated mostly from absence of systematic research of the Region of Western Greece (Panagopoulos, & Panagopoulos, 2005), we used the well-known Box-Jenkins method (Box, & Jenkins, 1976; Box, Jenkins, & Reinsel, 1994) to model the hotel tourism occupancy (except camping sites) for the three prefectures of the Region of Western Greece, for the period 2005-2012. The choice of an ARIMA model consists mostly in its flexibility and generality as it can handle different types of data. Furthermore, despite of the hard programming implementation of Box-Jenkins method it can be easily found and applied in many computational and statistical packages (e.g. Minitab) and it can produce reliable predictions when the appropriate model is chosen.

The structure of the paper is as follows: In the next section we present a short profile of Western Greece and in section 3 we develop the forecasting models for each prefecture, as well as, we demonstrate the prediction results. Finally, in the last section we discuss some conclusions and remarks.

### **Short Profile of Western Greece**

The Region of Western Greece occupies the northwest Peloponnese and the western tip of mainland Greece. It includes the prefectures of Etoloakarnania, Achaia and Ilia. For the most part the land is mountainous (45.3%) and half-mountainous (25.6%), while only 29.1% are lowlands. It has extensive coastline at all three prefectures, which are bounded by the Ionian Sea and the gulfs of Amvrakikos, Patras and Corinth. The main lines in the investment profile of Western Greece are described by the followings (Invest in Greece Agency, 2012; Research Institute for Tourism, 2014):

Main economic activities include agriculture and tourism services.

As in many other Regions of Greece, production of wine and olive oil is significant. Dairy products are also important to the local economy as well as fish farming, unique to the area and a traditional source of income.

Western Greece is quickly becoming one of the top tourism destinations in Greece. The emergence new hotel units and new investments in the area have strengthened the local economy and are currently changing the overall profile of economic activity.

The geomorphology of Western Greece has great diversity. It includes mountains with a very high altitude, large natural lakes and rivers.

The Region of Western Greece is privileged in terms of accommodating many, various and significantly sensitive ecosystems.

Significant tourism infrastructures (Western Greece is served by 2 airports and 6 ports)

In 2013 there were in Western Greece 292 Hotels with 11368 rooms and 21417 beds.

The tourism development of the Region's prefectures is dynamic but spatially restricted, since specific areas (as enclaves) are developing a complex superstructure, where tourist accommodation and services, for organized package tourist plays a prominent role, but as important is the development of holiday home enclaves, and camping units. It is mainly a Region for domestic tourism. Greek tourists present a stable consumption (in terms of hotel nights spent) all over the year, particularly in the prefectures of Achaia and Etoloakarnania. In contrast, the consumption of foreign tourists presents a relatively high seasonality, especially in the prefecture of Ilia (May to September).

### **The proposed models**

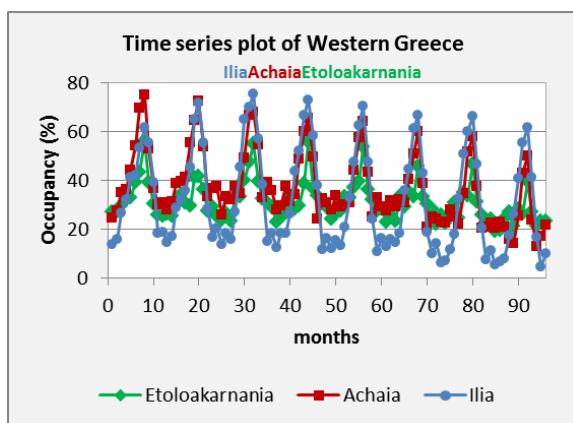
For each of the studied prefecture a forecasting is proposed based on ARIMA forecasting models. For the evaluation of the proposed models, we used the monthly occupancy of all tourist accommodations (except from camping sites) from the Prefectures of Etoloakarnania, Achaia and Hlia for January of 2005 till December 2012. The used data were obtained from the official records of the Hellenic Statistical Authority. It is underlined that Hellenic Statistical Authority has not released any similar data for the period 2013 until now. The development of proper models for each prefecture was made using the Minitab package.

For all three prefectures, the plotted data (Figure 1) reveal a strong seasonality with considerable variation in the rates of occupancy between summer and winter months. Maximum occupancy is observed in August in all three

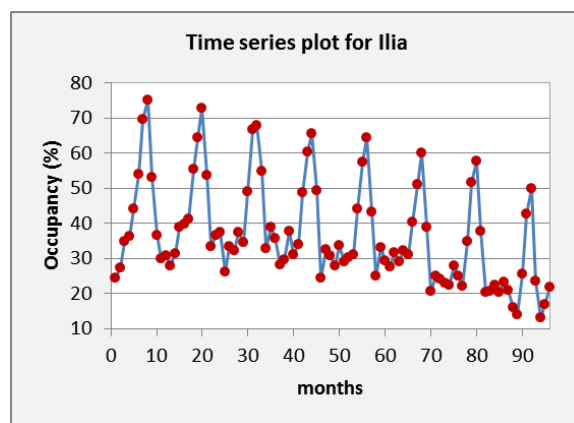
prefectures and for the three summer months a significantly increased occupancy is noticed, contrary to the winter months where the occupancy rates are very low. The greater volatility in occupancy occurs in Ilia which during the summer months the occupancy exceeds 70%, while during the winter months fall below 10%. On the other hand, the smallest fluctuation in occupancy between summer and winter months is observed in the prefecture of Etoloakarnania (19% - 57%).

It is of particular interest the underlying trend in the plotted datasets. The entire region of Western Greece (Figure 1a) discloses a clear decreasing trend over the last 3 years. In prefecture of Achaia (Figure 1c) is much more intense and occurs throughout the study period. On the other hand this downward trend is not as pronounced in Ilia (Figure 1b), and a fall is observed in Etoloakarnania (Figure 1d), especially during the summer months, where the maximum values of this time series occur.

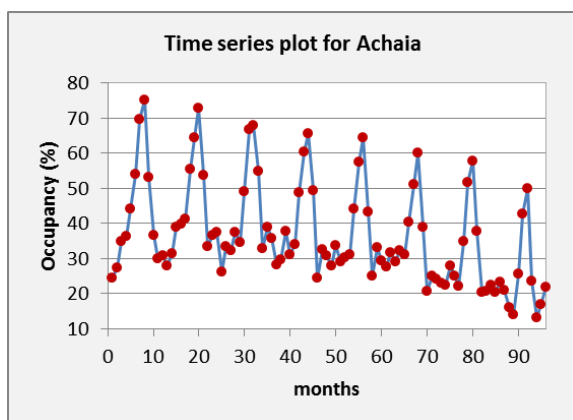
Figure 1. Time series plot for three prefectures and the Region of Western Greece for period 2005-2012



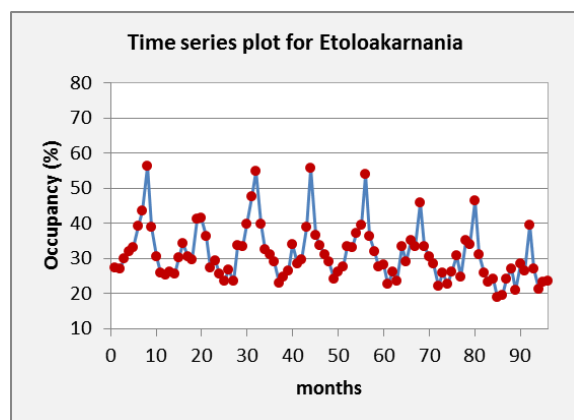
a. Region of Western Greece



b. Prefecture of Ilia



c. Prefecture of Achaia



d. Prefecture of Etoloakarnania

After a series of tests the best model (all coefficients are statistically significant and, moreover, they have the lowest MSE error) for each prefecture is given below. The created models are used to predict the occupancy for the corresponding prefectures of Western Greece.

Table 1. The ARIMA model for Etoloakarnania:  $(1,1,0)(0,1,1)_{12}$

Type	Coef	StDev	T	P
AR 1	-0,5626	0,0925	-6,08	0
SMA 12	0,8519	0,0957	8,9	0
<i>Differencing: 1 regular, 1 seasonal of order 12</i>				
<i>Number of observations: Original series 96, after differencing 83</i>				
<i>Residuals: SS = 761,418 (backforecasts excluded), MS = 9,400 DF = 81</i>				

Table 2. The ARIMA model for Achaia:  $(1,1,2)(2,1,1)_{12}$

Type	Coef	StDev	T	P
AR 1	-0,9114	0,1244	-7,33	0
SAR 12	-1,1376	0,1878	-6,06	0
SAR 24	-0,6417	0,1095	-5,86	0
MA 1	-0,4005	0,1536	-2,61	0,011
MA 2	0,5551	0,1075	5,16	0
SMA 12	-0,6213	0,232	-2,68	0,009
<i>Differencing: 1 regular, 1 seasonal of order 12</i>				
<i>Number of observations: Original series 96, after differencing 83</i>				
<i>Residuals: SS = 885,282 (backforecasts excluded), MS = 11,497 DF = 77</i>				

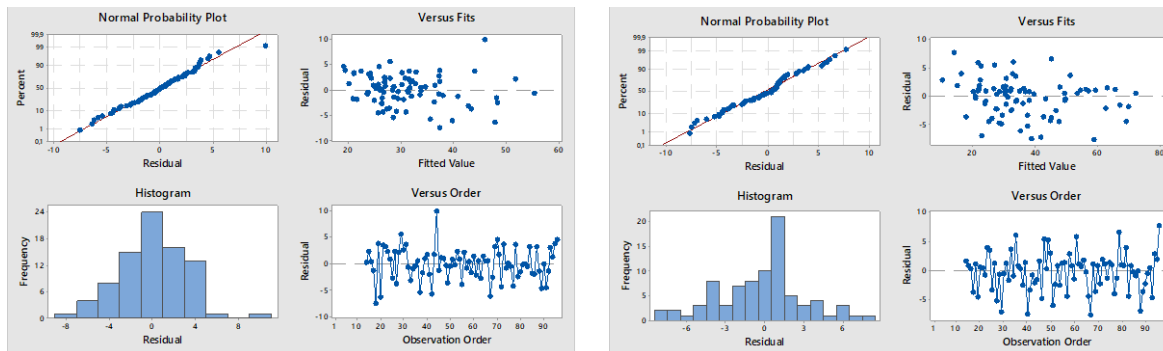
The next step in presented analysis is the verification of the proposed models for best fitting to the corresponding data. Thus, we have to check model parameters for being statistically significant and then to check the residuals for zero mean, for being normally distributed and being not correlated.

As it can be seen from the above tables all parameters of all the proposed models are statistically significant (P-Value < 0.05). According to the following figures the normality of residual distribution is accepted at any level of significance.

Table 3. The ARIMA model for Ilia: (1,1,1)(0,1,1)<sub>12</sub>

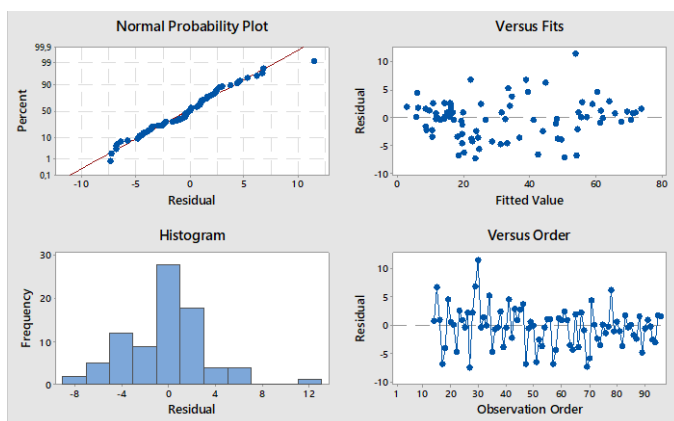
Type	Coef	StDev	T	P
AR 1	0,4805	0,1119	4,29	0
MA 1	0,98	0,0482	20,34	0
SMA 12	0,8581	0,0855	10,04	0
Constant	-0,01851	0,003672	-5,04	0
<i>Differencing: 1 regular, 1 seasonal of order 12</i>				
<i>Number of observations: Original series 96, after differencing 83</i>				
<i>Residuals: SS = 1008,24 (backforecasts excluded), MS = 12,76 DF = 79</i>				

Figure 2. Normality of residual distribution for prefectures of Western Greece



a. Prefecture of Etoloakarnania

b. Prefecture of Achaia



c. Prefecture of Ilia

All the proposed models have the best fit to the corresponding data and we can use them to predict the percentages of occupancy of accommodation in the specific prefectures for the next 12 months.

It is well-known that a good fit of the model does not always imply a reliable prediction. Thus, the measurement of forecasting ability of the proposed models will be evaluated using real data, excluding the last 12 observations forecasting over this time interval (Xenakis, 1998). We estimated the model without these observations and take forecasts for this latter interval. Finally we compare these forecasts with the data that we kept separate of the above procedure.

Table 5. Comparison of forecasting and actual values for the year 2012 with confidence level of 95% for prediction intervals for Ilia.

Period	Forecast	Lower	Upper	Actual
85	5,4169	-1,5865	12,4204	5,5
86	8,2616	0,4301	16,0932	6,7
87	11,1608	3,1197	19,2018	8
88	17,5273	9,4223	25,6323	17,5
89	31,0422	22,9129	39,1716	26,2
90	43,6204	35,4791	51,7617	40,7
91	56,1052	47,9563	64,2542	55,5
92	62,4516	54,2969	70,6064	61,9
93	44,2532	36,0933	52,413	41,4
94	21,0722	12,9076	29,2368	16,6
95	5,0398	-3,1294	13,209	4,5
96	8,7675	0,5938	16,9412	9,9

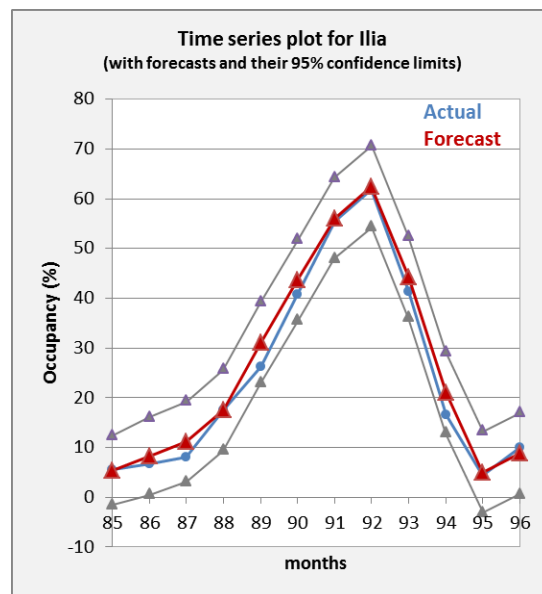




Table 5. Comparison of forecasting and actual values for the year 2012 with confidence level of 95% for prediction intervals for Achaia.

Period	Forecast	Lower	Upper	Actual
85	20,7528	14,1056	27,4	20,5
86	24,1567	16,757	31,5564	23,2
87	21,4766	13,6145	29,3387	20,9
88	23,4454	14,9576	31,9333	16
89	21,6915	12,7832	30,5998	14,1
90	32,8462	23,3958	42,2966	25,6
91	49,6473	39,8065	59,4881	42,8
92	55,6825	45,3594	66,0056	50
93	34,7389	24,0487	45,4291	23,7
94	18,5152	7,3878	29,6425	13,1
95	21,7641	10,2886	33,2395	16,9
96	20,2892	8,412	32,1664	21,8

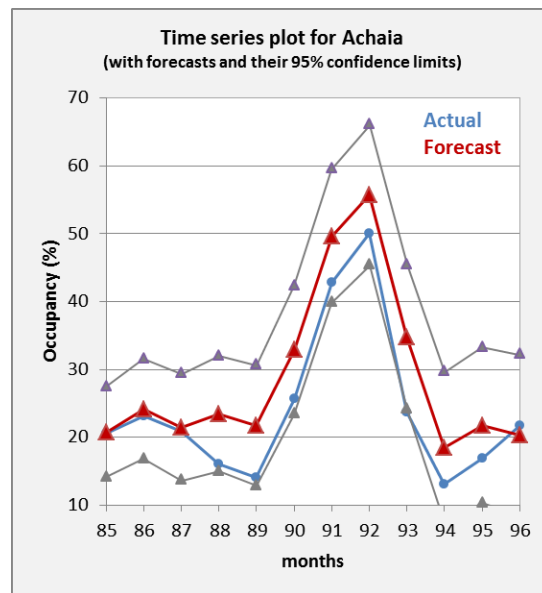
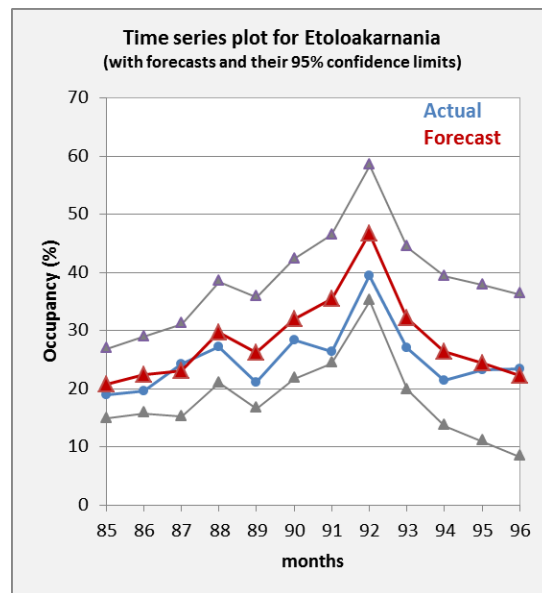


Table 6. Comparison of forecasting and actual values for the year 2012 with confidence level of 95% for prediction intervals for Etoloakarnania.

Period	Forecast	Lower	Upper	Actual
85	20,8384	14,8279	26,8489	19
86	22,3424	15,782	28,9029	19,6
87	23,1566	15,1833	31,1298	24,2
88	29,6899	20,9978	38,3821	27,2
89	26,2026	16,6076	35,7976	21,1
90	32,0312	21,7386	42,3238	28,4
91	35,4123	24,4002	46,4244	26,5
92	46,8002	35,1483	58,4521	39,5
93	32,0969	19,8197	44,3741	27
94	26,4594	13,5973	39,3215	21,4
95	24,4159	10,989	37,8428	23,2
96	22,3151	8,3491	36,281	23,5



For all models, the forecasts from the twelve months (period 85 till 96) are satisfactory because these values are close to real values and all of them are between the lower and upper limits. Finally, we predict the percentages of occupancy of accommodation in the specific prefectures for the next twelve months. The ex-ante forecasts from period 97 till 108 are presented in Figures 3-5.

Figure 5. Ex-ante forecasting for 12 months (2013) for Ilia

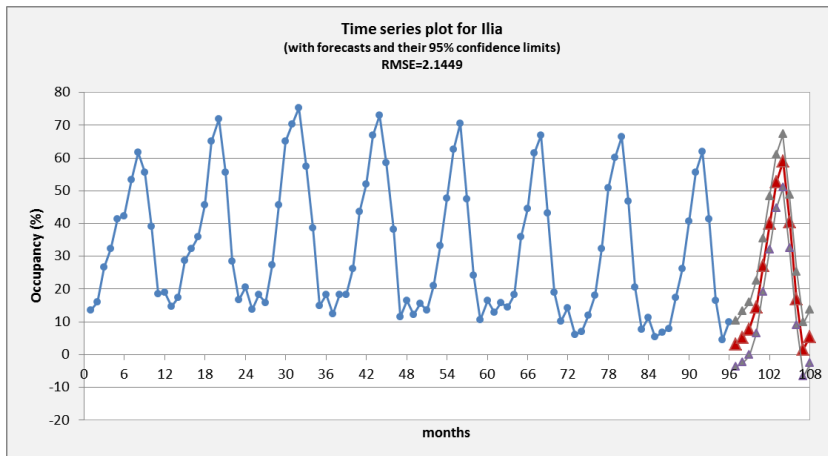


Figure 6. Ex-ante forecasting for 12 months (2013) for Achaia

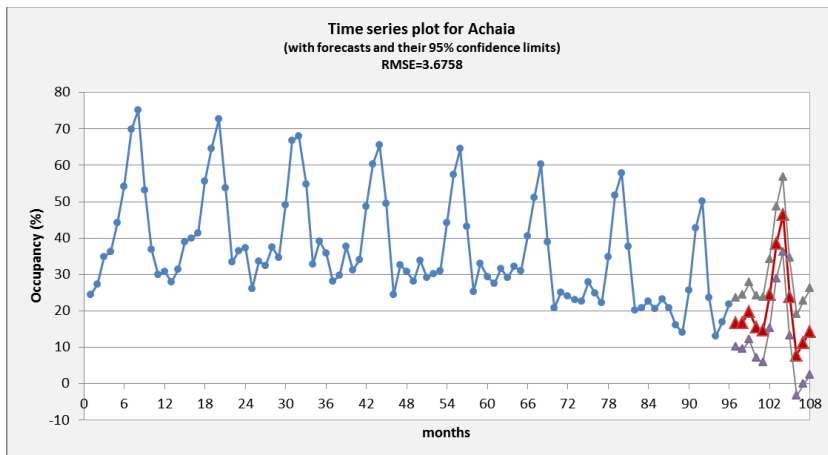
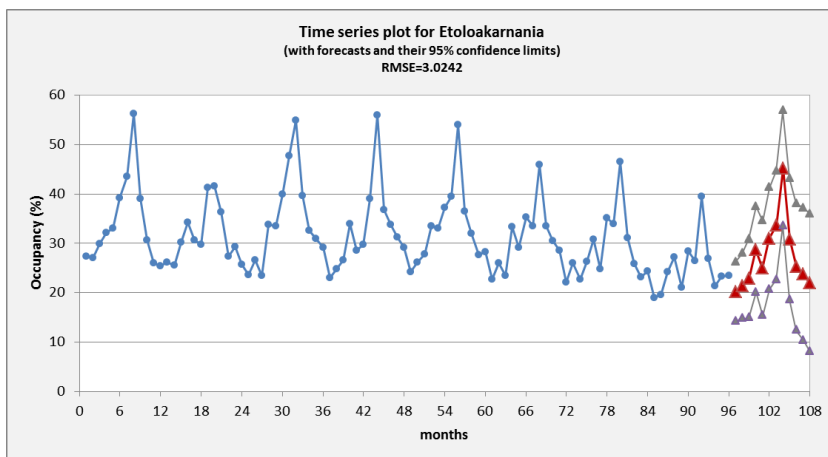


Figure 7. Ex-ante forecasting for 12 months (2013) for Etoloakarnania



## Conclusion

In this paper we have proposed three new models to forecast tourism demand from observed time series. The proposed approach is lying on the well-known Box-Jenkins method for finding a proper model, for each prefecture, based mostly on the effectiveness and complexity of the proposed model. The models were testes on the occupancy of all tourist accommodation (except from camping sites) on all three prefectures in the Region of Western Greece from January of 2005 till December 2012. A series of statistical test have been employed to examine the best fitted model to given data. The forecasting effectiveness of the chosen model is measured using the last twelve observations as a training set and, finally, a 12-period prediction for the three prefectures is proposed.

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The data that involves the monthly occupancy of all tourist accommodations of both foreign and domestic tourists came from the official records of the Hellenic Statistical Authority (EL. STAT., [www.statistics.gr](http://www.statistics.gr)).

## NEW TRENDS IN THE HOSPITALITY INDUSTRY

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### ABSTRACT

Everything is changes. But, what are the most important changes in the Hospitality Industry? New segment, new technology, new expectations on quality appeared on the market. Millennials have become the fastest growing customer segment. High quality service is the only way to ensure loyal customers for the hotels. Innovative technology is a must to have: electronic /mobile check-in time is here. Reputation Management is on focus by guest reviews and comments .

Know your guests, satisfy their needs and create your services around them is the best recipe of a successful hotel operation. Due to new technologies, and changes in guest behaviour, consumers' satisfaction is everything, but not easy.

One of the most important priorities at our College is, to be able to provide the most up-to-date information to our students about their future professions. We always follow recent changes in the hospitality industry the appearance of new *legislative provisions, or latest technologies, for instance.*

**Keywords:** New trends, Demanding segment, Innovative technology, Reputation Management

### INTRODUCTION

Changes in the macro environment in terms of technology, economic situation, cultural and generational differences, political uncertainty, etc. cause shifts in the hotel industry cycle.

In recent years consumer behaviour in the international hospitality sector has changed dramatically.

The 'new' consumer the Millennials has become the fastest growing customer segment within the hospitality industry. Millennials, as the member of the newly formed consumer society, has always the problem with the

shortage of time. "Today's 86 million Millennials, born between 1980 and 2000, hold \$200 billion in spending power and represent the most lucrative market for hoteliers."<sup>21</sup>

Therefore all the solutions that are effective and fast mean the way to success. As a result, the importance of the up-to-date information has increased.

According to Rauch (2014) this consumer segment is interested in utilizing technology to do things that many others have become adopted to doing manually: checking in at hotels, make up their restaurant and bar bills and looking up places to eat, shop and play to name a few.

In addition to wanting technology, Millennials have no problems speaking up. If what they are looking for is not handled to their liking, they will turn to Twitter, Facebook, Yelp or TripAdvisor to voice their complaints.<sup>22</sup>

Easily accessible information coupled with economic uncertainty has made today's tourists extremely discerning in their choices regarding the hotel properties they book and how they book them.

Meanwhile, hotel keepers are under pressure to maximize occupancy, fight for every guest and earn their loyalty. Simply relying on offline marketing practices, offering a promotion or two, or counting on online travel agencies (OTAs) to fill rooms is not enough anymore. It is obvious that this is a disrupted marketplace for hoteliers.<sup>23</sup>

If the hospitality industry wants to react immediately on the arising demand, should be aware of the new emerging trends.

### **Innovative technology -New Trends in the Hospitality Sector**

This new segment is very demanding and expects high quality services from the commercial accommodations. Therefore customer service is strongly highlighted among the new trends in the hospitality industry in 2015.

In the past years the adaptation of the tools of electronic and information technology in the tourism industry made the customers as well as the suppliers to study. Due to the rapid changes of the technology, the role of the new online tools like social media and mobile applications formed a very strong influencing power on the customers' decision making procedure on travelling. "High tech, high touch"<sup>24</sup> is the service, the e-tourist wants from the hotels.

E-tourism represents the *paradigm-shift* experienced in the tourism industry as a result of the adoption of ICTs and the Internet<sup>25</sup>.

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<sup>21</sup> Junvi Ola (2015) [how to get millennials to join your hotel loyalty program](http://hospitality.cvent.com/blog/junvi-ola/how-to-get-millennials-to-join-your-hotel-loyalty-program), <http://hospitality.cvent.com/blog/junvi-ola/how-to-get-millennials-to-join-your-hotel-loyalty-program>

<sup>22</sup>Robert Rauch (2014): Top 10 Hospitality Industry Trends in 2015.

Monday, 8th December 2014 <http://www.4hoteliers.com/features/article/8736>

<sup>23</sup> <http://www.jda.com/realresultsmagazine/view-article.cfm?did=3111>

<sup>24</sup> Naisbitt, John (1982). *Megatrends: Ten New Directions Transforming Our Lives*. Warner Books / Warner Communications Company

<sup>25</sup>Dimitrios Buhalis - Soo Hyun Jun (2011) E tourism, In: Contemporary Tourism Reviews, Goodfellow Publishers Ltd.

Innovative technology became one of the most important issues in the operation of hotels. Electronic check-in can be done either by mobile phone or by an Apple watch. But what is electronic check-in exactly? Most of the hotels are offering it as a part of their “Loyal Guest” programme. Customers registered as Preferred/Privileged guests are sent key cards equipped with the latest of identification technology that uses radio frequencies.

On the day of guest’s confirmed arrival, a text message is relayed to his mobile device, carrying basic figures like room number, timing, etc. Upon his actual arrival, the client doesn’t need to confirm his stay at the Front Desk. He simply moves to his room and apply the key-card.<sup>26</sup>

## 2.1. Guests can use their mobile phones as the key to the hotel room

Hilton Worldwide launched digital check-in with room selection technology, now available at more than 3,700 hotels, and worldwide by the end of this year.

This technology empowers Hilton HHonors members to check in via their HHonors profile on desktop, mobile or tablet and choose the exact location of their room - right down to the room number.

Mobile-enabled room key goes a step further in simplifying the guests' travel, allowing travelers to check-in, select their room and access their room upon arrival entirely via the HHonors app on their smartphone. Service Available for Hilton HHonors members staying at U.S. Hilton Hotels & Resorts, Waldorf Astoria Hotels & Resorts, Conrad Hotels & Resorts and Canopy by Hilton properties.<sup>27</sup>

“Unlock a whole new way to stay”-Starwood is already offering mobile room key in a number of Aloft, Element and W hotels. The website even shows a video about it: <https://www.spgpromos.com/keyless/><sup>28</sup>

But, why is it good for the hotels? Mobile room keys bring the following benefits to both the guests and to the hotel (according to the brands and the door lock companies):<sup>29</sup>

Seamless Check-in...when combined with the rise of mobile check-in, mobile room key introduces the seamless check-in for the guest. The traveler can now check-in via his/her smartphone and go right to their assigned room without needing to stop at the front desk.

Reduced load on Front Desk = Labor savings for hotel & let staff to focus on meaningful interactions with the arrival guests that choose a full service check-in process.

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<sup>26</sup> Maansi Sanghi (2014): 6 Hotel Hospitality Industry New and Current Trends You Should Know About - [http://www.hotelogix.com/blog/2014/02/06/6-hotel-industry-trends-you-should-know-](http://www.hotelogix.com/blog/2014/02/06/6-hotel-industry-trends-you-should-know-about/#sthash.6CmoCPKj.dpuf)

[http://www.hotelogix.com/blog/2014/02/06/6-hotel-industry-trends-you-should-know-about/](http://www.hotelogix.com/blog/2014/02/06/6-hotel-industry-trends-you-should-know-about/#sthash.6CmoCPKj.dpuf)

<sup>27</sup> Hilton worldwide truly opens doors: company to roll out mobile room keys in 2015 at hundreds of u.s. hotels across four brands, November 03, 2014

<http://www.hiltonworldwideglobalmediacenter.com/index.cfm/newsroom/detail/27701>

<sup>28</sup> <https://www.spgpromos.com/keyless/>

<sup>29</sup> Tim Kinsella(2015) the hotel room key goes mobile...what’s the big deal? The answer is “choice of service”.

<Http://stayntouch.com/hotel-mobile-room-key-whats-the-big-deal/>



Convenience & Choice of Service for the Connected Guest...those travelers that value the 'full service' check-in procedure can go to the front desk as has always been the case. At the same time, the "silent traveler"...those guests that value speed and convenience can choose their preferred silent path.

Increased TripAdvisor Scores... the research is in. Hotels that deliver on service choice and decreased waiting gain higher scores on the all important review sites. And as the industry now notices, increased review scores directly lead to increased revenues. Proof? A hallmark study conducted by the Cornell University School of Hotel Administration<sup>30</sup> found a 1% increase in RevPar (an industry measure of revenue) for every 1% increase in the hotel's "online reservation score" directly equating improved ratings with increase revenues.

Mobile room key is part of a larger industry shift that in the end will be a win-win for the hotel and for guests.

Apple Watch is the new hotel room key

The upcoming new Apple Watch<sup>31</sup> is a possible game changer for travelers everywhere: the era of losing your hotel cardkey may soon be gone.

Starwood hotels is developing an app for the Apple Watch that will allow hotel guests to use it to unlock their rooms. Just wave it in front of the door and there you go! If you have the watch (and a compatible iPhone), you can get into your hotel room.<sup>32</sup>

Accor Launches Accorhotels app for Apple Watch. In honor of the recently revealed Apple Watch™ Accor is launching an Accorhotels iOS app available starting at the end of April.

"By launching the Accorhotels application for Apple Watch™, Accor is establishing itself as a leading digital hospitality player," said Romain Roulleau, Accor's SVP e-commerce and director of the "mobile first" program.

"The policy is part of the group's digital plan that aims to align with the changeover to new mobile practices. Accor is keeping up with consumer demand by embracing the era of connected wearables and is providing guests with a value-added service before, during and after their stay."

The Accorhotels app for Apple Watch™ will be available in ten languages and works in connection with the smartphone app. In addition to promoting hotels and destinations, the app will allow users to manage current bookings. With the app, Accorhotels customers will be able to:

Receive alerts telling them the online check-in service is open

Access information about their bookings: arrival date, number of nights, number of guests

Receive information about the hotel's services (free Wi-Fi, parking, spa, swimming pool, etc.)

Access the interactive map, including the hotel's location and the local weather forecast

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<sup>30</sup> Danny King (2012): *Cornell-study-links-hotel-reviews-and-room-revenue*, <http://www.travelweekly.com/Travel-News/Hotel-News/Cornell-study-links-hotel-reviews-and-room-revenue/>

<sup>31</sup> <http://www.apple.com/watch/guided-tours/>

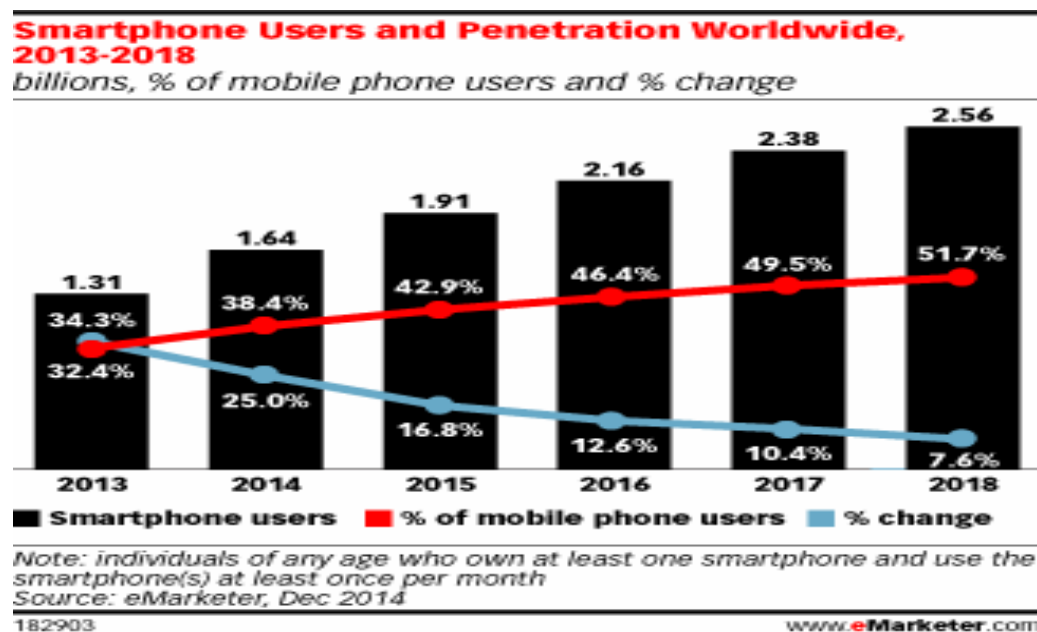
<sup>32</sup> *Apple Watch is the new hotel room key* (2014) <http://nypost.com/2014/09/12/apple-watch-is-the-new-hotel-room-key/>

Access Le Club Accorhotels loyalty card details, including status and loyalty points.<sup>33</sup>

Apple Watch and Android Wear are most certainly the platform of the future. Horological history shows how clocks migrated from bell towers, to walls, to pockets, to wrists. A strong allegory will be drawn from desktops, to laptops, to smartphones, to smart watches. Surely, one day we'll look at smart phones the way people in the early 1900's looked at pocket watches.<sup>34</sup>

According the eMarketer's forecast<sup>35</sup> the number of smartphone users worldwide will surpass 2 billion in 2016. For the first time, more than one-quarter of the global population will use smartphones in 2015, and by 2018, eMarketer estimates, over one-third of consumers worldwide, or more than 2.56 billion people, will do so.(Chart1)

Chart1: Smartphone Users and Penetration Worldwide (2013-2018)



Source:eMarketer, Dec 2014

That 2018 figure also represents over half—51.7%—of all mobile phone users, meaning that feature phones will have finally become a minority in the telecommunications world.

eMarketer's latest mobile user forecast added 19 new countries, bringing the total to 41—including our first estimates for any individual countries in the Middle East and Africa. Following are the top 25 countries worldwide ranked by smartphone users in 2014, according to eMarketer estimates. (Chart2)

On a country-by-country basis, here are year-by-year other milestones eMarketer expects during its forecast period:

<sup>33</sup>Accor launches accorhotels app for apple watch (2015)

[http://www.hospitalityupgrade.com/\\_news/newsarticles/accor-launches-accorhotels-app-for-apple-watch.asp](http://www.hospitalityupgrade.com/_news/newsarticles/accor-launches-accorhotels-app-for-apple-watch.asp)

<sup>34</sup> Tim Kinsella, (2015) Hotel management software – let's get the mobile phone right first,

<http://stayntouch.com/hotel-management-software-lets-get-mobile-phone-right-first/>

<sup>35</sup> <http://www.emarketer.com/Article/2-Billion-Consumers-Worldwide-Smartphones-by-2016/1011694>

2014: China will top 500 million smartphone users for the first time.

2015: Russia will surpass Japan as the fourth-largest smartphone user population.

2016: India will exceed 200 million smartphone users, topping the US as the world's second-largest smartphone market.

2017: The US will surpass 200 million smartphone users, or nearly 65% of the country's total population.

2018: Indonesia will pass 100 million smartphone users, firmly established as the fourth-largest smartphone user population.<sup>36</sup>

Chart2: Top 25 Countries, Ranked by Smartphone Users (2013-2018)

<b>Top 25 Countries, Ranked by Smartphone Users, 2013-2018</b>						
<i>millions</i>						
	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
1. China*	436.1	519.7	574.2	624.7	672.1	704.1
2. US**	143.9	165.3	184.2	198.5	211.5	220.0
3. India	76.0	123.3	167.9	204.1	243.8	279.2
4. Japan	40.5	50.8	57.4	61.2	63.9	65.5
5. Russia	35.8	49.0	58.2	65.1	71.9	76.4
6. Brazil	27.1	38.8	48.6	58.5	66.6	71.9
7. Indonesia	27.4	38.3	52.2	69.4	86.6	103.0
8. Germany	29.6	36.4	44.5	50.8	56.1	59.2
9. UK**	33.2	36.4	39.4	42.4	44.9	46.4
10. South Korea	29.3	32.8	33.9	34.5	35.1	35.6
11. Mexico	22.9	28.7	34.2	39.4	44.7	49.9
12. France	21.0	26.7	32.9	37.8	41.5	43.7
13. Italy	19.5	24.1	28.6	32.2	33.7	37.0
14. Turkey	15.3	22.6	27.8	32.4	37.2	40.7
15. Spain	18.9	22.0	25.0	26.9	28.4	29.5
16. Philippines	14.8	20.0	24.8	29.7	34.8	39.4
17. Nigeria	15.9	19.5	23.1	26.8	30.5	34.0
18. Canada	15.2	17.8	20.0	21.7	23.0	23.9
19. Thailand	14.4	17.5	20.4	22.8	25.0	26.8
20. Vietnam	12.4	16.6	20.7	24.6	28.6	32.0
21. Egypt	12.6	15.5	18.2	21.0	23.6	25.8
22. Colombia	11.7	14.4	16.3	18.2	19.7	20.9
23. Australia	11.4	13.2	13.8	14.3	14.7	15.1
24. Poland	9.4	12.7	15.4	17.4	19.4	20.8
25. Argentina	8.8	10.8	12.6	14.1	15.6	17.0
<b>Worldwide***</b>	<b>1,311.2</b>	<b>1,639.0</b>	<b>1,914.6</b>	<b>2,155.0</b>	<b>2,380.2</b>	<b>2,561.8</b>
<i>Note: individuals of any age who own at least one smartphone and use the smartphone(s) at least once per month; *excludes Hong Kong; **forecast from Aug 2014; ***includes countries not listed</i>						
<i>Source: eMarketer, Dec 2014</i>						
182905 <span style="float: right;">www.eMarketer.com</span>						

Source: eMarketer, Dec 2014

<sup>36</sup> <http://www.emarketer.com/Article/2-Billion-Consumers-Worldwide-Smartphones-by-2016/1011694>

If the hoteliers want to satisfy the guests' demand they have to be aware of the latest technologies.

The most online specific products are the services of the tourism industry. Since the emergence of the Internet, travel planning (e.g., travel information search and booking) has always been one of the main reasons that people use the Internet.<sup>37</sup>

The cost of tours can be high, consequently, good prices always play an important role in the planning and selection of a holiday destination. Nowadays on-line travel agencies (OTA's) with their good prices and special travel packages come before hotels' websites in popularity.<sup>38</sup>

### **Online travel agencies (OTA'S) vERSUS direct booking**

How to increase revenue and same time decrease the costs of OTAs is the question here. Distribution channels play a very important role in the hospitality sector. However the commissions the hotels pay to the Online Travel Agencies can range from 15-30% and that cause problems by reaching the targeted REVPAR. So, the solution is to increase direct hotel bookings.

The reach of OTAs has risen by 45% since 2008 in spite of the fact that travelers booking directly on the website is cheaper for hoteliers. The answer is simple; it has nothing to do with the travelers or the OTAs, but it's to do with the hotel website.<sup>39</sup>

OTAs like TripAdvisor, Expedia and Booking.com will clearly be listed on the first 4 results, when you look up for accommodation.

Patak (2014) says, that having an easy-to-navigate, effective and attractive website wherein everything from rates to rooms to services and packages are clearly highlighted. An excellent website with all important details and strong booking engine are the key to reclaiming victory over OTAs.

But, according to Sourabh Matur (2014) as OTA commission checks continue to rise, small and mid-sized hoteliers are increasingly considering TripConnect as a viable platform to generate direct bookings.

Before the introduction of TripConnect, lets see some basic information about Tripadvisor.

"TripAdvisor branded sites make up the largest travel community in the world, reaching nearly 260 million unique monthly visitors\*\*<sup>40</sup> in 2013, and more than 200 million reviews and opinions covering more than 4 million accommodations, restaurants, and attractions. The sites operate in 42 countries worldwide. TripAdvisor also includes TripAdvisor for Business, a dedicated division that provides the tourism industry access to millions of monthly TripAdvisor visitors. TripAdvisor Content: More than 200 million reviews and opinions from travellers

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<sup>37</sup> Buhalis, D. (2003). *eTourism: Information Technology for Strategic Tourism Management*. London, UK: Pearson (Financial Times/Prentice Hall)

<sup>38</sup> Veres Zoltán - Grotte Judit (2009): *Turizmusmarketing In: Dr. Veres Zoltán: A Szolgáltatásmarketing Alapkönyve; Akadémia Kiadó, Második bővített átdolgozott kiadás; Budapest, 2009. ISBN 978963058572 (459.-479.o.)*

<sup>39</sup> Manisha Patak (2014): Simple ways to overcome OTA blues and increase direct hotel bookings <http://www.hotelogix.com/blog/2014/12/22/simple-ways-to-overcome-ota-blues-and-increase-direct-hotel-bookings/>

<sup>40</sup> \*\*Source: Google Analytics, average monthly unique users, Q1 2014; does not include traffic to daodao.com

around the world, More than 3.7 million businesses and properties in 139,000+ destinations, More than 19 million candid traveller photos. And 82 million people have downloaded the various TripAdvisor apps, up nearly 150% year-over-year.”<sup>41</sup>

How does TripConnect Work?<sup>42</sup>

TripConnect lets your hotel compete with OTAs on TripAdvisor by placing bids. It displays real-time room rates and availability. So, instead of travelers booking via OTA sites, it lets them book directly from your site.

1. Your hotel needs to have a TripAdvisor business listing to use TripConnect.
2. TripConnect works on a bidding model, basically through a cost-per-click (CPC) campaign. Hoteliers need to use the TripAdvisor Auction platform and bid for bookings.
3. Once you place bids, your hotel’s official site icon appears as an option alongside the OTAs on your hotel’s TripAdvisor page.
4. Only if a traveler clicks on your official link and comes to your website to book, do you pay the bid price to TripAdvisor.

#### **What Should Hoteliers Know About TripConnect<sup>43</sup>:**

**Get a Web Booking Engine:** In order to sign up for TripConnect, your hotel needs a TripAdvisor certified internet booking engine.

**Sign Up:** You get the maximum features of TripConnect with signing up. For e.g. The Review Express feature where you can send automated mails to guests who have stayed in your hotel to post reviews on TripAdvisor.

**Set the Right Price:** As per TripBarometer Global Report of April 2014, 95% of global travelers indicate price is an important factor in choosing an accommodation. Ensure that your room rates are competitive.

**Try to Reach the First Position:** Ensure that you bid aggressively to reach the first position as OTAs are also as aggressive. Travelers are most likely to click on the first position.

TripConnect will certainly take guests to the hotel’s website which will give hoteliers an advantage to reduce dependency on OTAs and get better controls of the online distribution channel. (Sourabh Matur (2014)). Reaching as many potential guests as possible, out of good distribution channels, reputation management plays a crucial role in this sector.

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<sup>41</sup> [http://www.tripadvisor.co.nz/PressCenter-c4-Fact\\_Sheet.html](http://www.tripadvisor.co.nz/PressCenter-c4-Fact_Sheet.html)

<sup>42</sup> Sourabh Matur (2014) TripConnect: A Hotelier’s Tool to Outsmart OTAs  
<http://www.hotelogix.com/blog/2014/07/23/tripconnect-a-hoteliars-tool-to-outsmart-otas/>

<sup>43</sup> Sourabh Matur (2014) TripConnect: A Hotelier’s Tool to Outsmart OTAs  
<http://www.hotelogix.com/blog/2014/07/23/tripconnect-a-hoteliars-tool-to-outsmart-otas/>

## Reputation Management

According to Bin Yu and Munindar P. Singh (2002) one of the major challenges for electronic commerce is how to found a relationship of trust between different parties. Creating trust is nontrivial, because the traditional physical or social means of trust cannot apply directly in virtual settings.

In many cases, the parties involved may not ever have communicated before. Reputation systems seek to address the development of trust by recording the reputations of different parties.<sup>44</sup>

With the tools of social media individuals and communities share, co-create, discuss, and modify user generated content.<sup>45</sup>

Not only can consumers easily publish their views on purchase through ratings, reviews, and online feedback, but other consumers interested in knowing these views.<sup>46</sup>

For reputation management, Tripadvisor is one of the most important platform in the hospitality industry. But online comments and reviews can come eg.: from Facebook, Yahoo, Yelp and Expedia (OTA) as well.

Rauch (2014) suggests to hotels to use only one tool instead of different others for managing a property's reputation process. Based on his opinion, one of the means is Revinate as a complete, one-stop solution for reputation management instead of the cumbersome process of logging into each platform and spending an exorbitant amount of time on a crucial yet time consuming aspect of the hotel industry. Engaging with guests and responding to their needs publicly through these forums can go a long way in driving future bookings to the property.

### But what is revinate all about?<sup>47</sup>

Revinate, a San Francisco-based technology company that is reinventing the hotel guest experience, launches inGuest in Europe. inGuest brings together reservation (PMS) data and stay histories, with preferences, social media activity and guest feedback to surface comprehensive rich guests profile on a single platform. For the first time hoteliers can truly understand their guests and engage with them more effectively before, during and after their stays, increasing guest satisfaction and revenue. With inGuest, hoteliers can execute precisely targeted engagement campaigns. The platform also includes a request center to establish a two-way communication channel with guests via email, SMS and app notifications, a hotel-branded native app and a branded mobile website to streamline advance check-ins, room service orders, service requests, problem solving, concierge tips and more.

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<sup>44</sup> Bin Yu and Munindar p. Singh (2002) distributed reputation management for electronic commerce, in: computational intelligence [VOLUME 18, ISSUE 4](#), pages 535–549, november 2002

<sup>45</sup>Kietzmann, J.H. , Hermkens, K. , McCarthy, I.P. , Silvestre, B.S. (2011). 'Social media? Get serious! Understanding the functional building blocks of social media'. *Business Horizons*. 54, 3, 241-251

<sup>46</sup>Lee, L.W.(2014) 'Advice from creative consumers: a study of online hotel reviews', *Int. J. Technology Marketing*, Vol.9., No.1,pp.53-71

<sup>47</sup> [Theodore Koumelis](#)(2015) revinate launches inguest in europe to deliver a breakthrough in guest engagement: rich guest profiles, <http://www.traveldailynews.com/news/article/65110/revinate-launches-inguest-in-europe#sthash.gfogtvdg.dpuf>

The Boston Harbor Hotel was among the first properties to deploy inGuest. Stephen Johnston, General Manager says, "At boston harbor hotel, anticipating guest needs and building deeper relationships with them is a top priority this year. inguest gives us access to guest data that we've never had before and a set of powerful tools we can use to personalize the guest experience. hotel guests are becoming increasingly tech savvy and inguest's rich guest profiles are going to completely change how hoteliers engage with their guests, deepen loyalty and drive incremental revenue." Already launched with proven success at leading hotels such as Provenance Hotels, Grande Colonial Hotel and Makena Resort, inGuest is now available in the UK and Ireland at Macdonald Hotels, Grange Hotels and Fuller's British Hotels and Inns.

### How does inGuest works?

InGuest contains 3 stages: 1. Pre-stay, 2. On-site and 3. Post-stay. To be able to understand clearly the process, let me describe it through an example. The client is a female, between 24-35, and an active user of LinkedIn, Facebook, Twitter and Tripadvisor.

1. Pre-stay : "Adele makes a reservation at the Avertine Hotel. inGuest begins to fill in her guest profile with past stay information. The hotel receives an arrival report with a VIP guest list. Adele's profile shows 6 hotel reviews and high social activity with 5K Twitter followers. Adele receives an advanced check-in email and upgrades to a suite. The front desk gets an SMS and confirms with Adele. After checking-in, Adele receives a welcome SMS and heads to the bar for happy hour. 2. On-site. She uses the Mobile App to order room service for breakfast. 3. Post-Stay. The hotel gets an alert that Adele has written a 5 star review on TripAdvisor. Three months later, the hotel sends a targeted email to Twitter VIPs and wine lovers. Adele makes her 5th reservation."<sup>48</sup>

As we can see it above, apart from good quality service and interactive communication with our potential guests, flexibility is a key issue for the hoteliers in these years. A good marketing plan for a given period of time is a must for each hotel. However, the fast changes in the macro environment requires flexibility from the hotels. Real time marketing is the answer for this challenge.

### Real time marketing

According to Trackmaven "Real Time Marketing is marketing that is based on up to date events. Instead of creating a marketing plan in advance and executing it according to a fixed schedule, real time marketing is creating a strategy focused on current, relevant trends and immediate feedback from customers. The goal of real time marketing is to connect consumers with the product or service that they need now, in the moment."<sup>49</sup>

Through the social media (eg.: Twitter, Facebook, etc.) sites, companies can gain information about their segments. With this knowledge, in a few minutes, hotels can easily define their up-to-date marketing messages. But, the content must be valuable for the potential guests! Every consumer wants to be the member of the 'Being Trendy' group. If, hoteliers strategically structure their advertisements to reflect a current event (eg.: Formula1 after party,

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<sup>48</sup> <https://www.revinate.com/downloaded> 2015.05.21

<sup>49</sup> <http://trackmaven.com/marketing-dictionary/real-time-marketing/>

fashion show, etc.), their service may become more appealing to guests. The application of this type of marketing, must take place on a regular basis and include guest-generated content.

Whether it is Facebook or another social media tool, guests should be able to contact the hotel with an expectation that they will receive a response in a timely manner. Video campaigns (eg.: Flip to) on social media, when done properly, are proving to be successful for hoteliers looking to generate guest engagement. Flip.to allows for hotels to connect with guests from the moment they make a reservation and to create a unique experience upon arrival. (Rauch 2014).

Gary Vaynerchuk, a well-known Internet entrepreneur and author, famously said, "Content is king, but marketing is queen, and runs the household." Creating great content for your website and/or blog is helpful, but good content alone will not drive the results your hotel desires. A quality content marketing strategy sets a purpose behind the content. We may have read the articles about the importance of content for SEO, but it only drive results and increases brand awareness when deploying content with a custom marketing strategy.<sup>50</sup>

DeVoren, Herweg (2015) at TravelClick, the company's content marketing packages follow this strategic process:

**Research demand generators, local attractions, and events within close proximity to the hotel.**

Link researched topics with long-tail keywords that show low competition and high search volume.

Create engaging blog articles, infographics, videos, and white papers to add to the hotel blog and/or website.

Syndicate the content on distribution networks to attract new visitors, create brand awareness, and promote natural links back to the website.

Measure the success of the content through the amount of referral traffic it attracts, the quality of the traffic (bounce rate and average session duration), and conversions it generates.

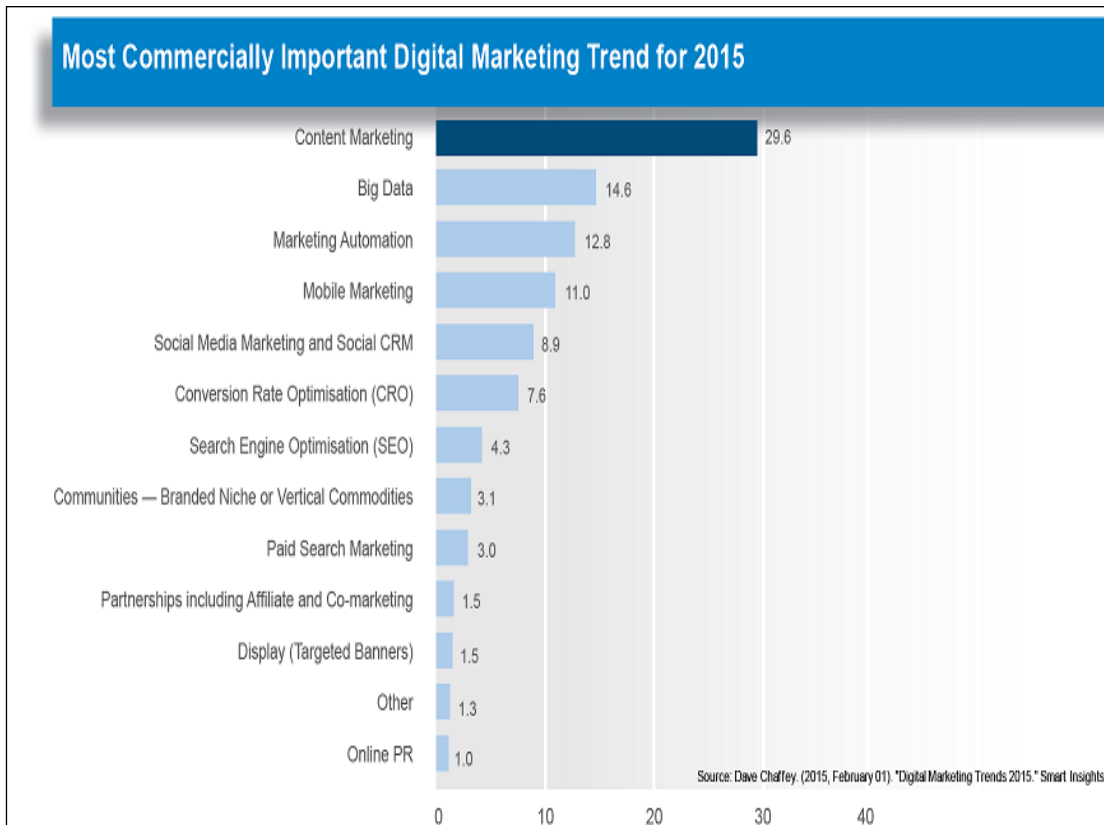
Based on a recent digital marketing trends survey by Smart Insights, content marketing was listed as the most commercially important digital marketing trend for 2015. (Chart3)

Chart3: Most Commercially Important Digital Marketing Trend for 2015

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<sup>50</sup> Danielle Devoren / and Rew Herweg, the travelclick perspective – march 2015: digital marketing trends for the hospitality industry, <http://www.travelclick.com/en/news-events/press-releases/travelclick-perspective-march-2015-digital-marketing-trends-hospitality-industry>





Source: Dave Chaffey (2015) Digital Marketing Trends 2015

<http://www.smartinsights.com/managing-digital-marketing/marketing-innovation/digital-marketing-trends-2015/>

Simply creating original content will not keep the SEO strategy up-to-date in 2015. Be intentional with the content marketing strategy because the importance of content is not a secret anymore. How content is researched, put together, and distributed will separate the winners and losers in organic search moving forward.

“What is your hotel’s content strategy? Are you simply writing more content because you’ve read that it’s the right thing to do? Would you create a package for your hotel just for the sake of having a package to offer? When approaching content development, create a strategy with clear, measurable goals to further the growth of your hotel or brand.”<sup>51</sup>

<sup>51</sup> Danielle Devoren / Andrew Herweg, the travelclick perspective – march 2015: digital marketing trends for the hospitality industry, <http://www.travelclick.com/en/news-events/press-releases/travelclick-perspective-march-2015-digital-marketing-trends-hospitality-industry>

## **Summary**

Tourism is very information-intensive and information is often dubbed the "life-blood" or "cement" of the industry which holds together the different producers within the travel industry - airlines, tour operators, travel agencies, attractions, car rental, cruise lines, and other supplies.(Zhenhua Liu,2000)

Changes in the macro environment in terms of technology, economic situation, cultural generational differences, political uncertainty, etc. cause shifts in the hotel industry cycle.

In recent years consumer behaviour in the international hospitality sector has changed dramatically. The 'new' consumer the Millennials has become the fastest growing customer segment within the hospitality industry. Millennials, as the member of the newly formed consumer society, has always the problem with the shortage of time.

All the solutions that are effective and fast mean the way to success. As a result, the importance of the up-to-date information has increased. This new segment is very demanding and expects high quality services from the commercial accommodations. Therefore customer service is strongly highlighted among the new trends in the hospitality industry in 2015. Innovative technology became one of the most important issues in the operation of hotels. Electronic check-in can be done either by mobile phone or by an Apple watch.

Distribution channels play a very serious role in the hospitality sector. How to increase revenue and same time decrease the costs of OTAs is the question here. The commissions the hotels pay to the Online Travel Agencies can range from 15-30% and that cause difficulties by reaching the targeted REVPAR. The solution is to increase direct hotel bookings. TripConnect lets the hotels compete with OTAs on TripAdvisor by placing bids. It displays real-time room rates and availability. So, instead of travelers booking via OTA sites, it lets them book directly from your site.<sup>52</sup> Reaching as many potential guests as possible, out of good distribution channels, reputation management plays a crucial role in this sector.

According to Bin Yu and Munindar P. Singh (2002) one of the major challenges for electronic commerce is how to establish a relationship of trust between different parties. Founding trust is nontrivial, because the traditional physical or social means of trust cannot apply directly in virtual settings.

Rauch (2014) suggests to hotels to use only one tool instead of different others for managing a property's reputation process. Based on his opinion, one of the means is Revinate as a complete, one-stop solution for reputation management instead of the cumbersome process of logging into each platform and spending an exorbitant amount of time on a crucial yet time consuming aspect of the hotel industry.

A good marketing plan for a given period of time is a must for each hotel. However, the fast changes in the macro environment requires flexibility from the hotels. Real time marketing is the answer for this challenge. The application of this type of marketing, must take place on a regular basis and include guest-generated content. Simply creating original content will not keep the SEO strategy current in 2015. Be intentional with the content

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<sup>52</sup> Sourabh Matur (2014)TripConnect: A Hotelier's Tool to Outsmart OTAs  
<http://www.hotelogix.com/blog/2014/07/23/tripconnect-a-hoteliars-tool-to-outsmart-otas/>

marketing strategy because the importance of content is not a secret anymore. How content is researched, put together, and distributed will separate the winners and losers in organic search moving forward.<sup>53</sup>

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## THE EVOLVED AND MORE COMPLEX ROLE OF TRAVEL AGENCIES AND TOUR OPERATORS IN THE ONLINE ERA. EFFECTS ON THEIR MARKETING MANAGEMENT

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### ABSTRACT

It has been more than a decade since several authors predicted the demise of traditional travel agents due to the rapid development of the internet and the online booking systems. However, recent findings from both the academic and professional research clearly indicate that these predictions were exaggerated. It appears that most authors had not taken into account the complexity of the tourism system in general, the diversity of the tourism product and the evolving and demanding needs of a more refined clientele. This paper addresses the varying opinions regarding the current role of travel agents providing evidence that these businesses have maintained their position as intermediaries in the tourism system and continue to offer their expertise applying the internet technology to their everyday business process. The evidence will clearly demonstrate that travel agents and tour operators will continue to offer their services in the younger generations. Travel agents will offer a more refined service and operate as consultants while tour operators will continue to plan and offer fully organized package tours at the best value for money.

**Key Words:** travel agency, tour operator, online travel agencies (OTA), package tours, intermediaries, marketing

### 1 INTRODUCTION

The motive for this study was linked to the extensive discussion and the contradicting views and articles regarding the role and the future of classic travel intermediaries, specifically travel agents and tour operators, in our digital era. The issues addressed concern their ability to maintain their position in the travel system, as the main retail selling points for tourism products all over the world (Hagel and Armstrong, 1997, Buhalis and Laws 2001, Chircu and Kauffman, 2001, Buhalis, 2003, Card et al, 2003, Law et al, 2004, Cheyne, Downes and Legg 2005, Pearce and Schott, 2005, Dolnicar and Laesser, 2007, Law, 2009, Law, 2009, Lee, Guillet and Law, 2013).

For the purposes of this study, it would be useful to briefly describe the categories and activities of these enterprises and the main definitions for this kind of businesses. Specifically, there are two main categories of travel enterprises: tour operators and travel agents. Tour operators have a multiple role, as producers of tourism packages, as wholesalers of several tourism products and retailers. Tour operators have a distinct function in the tourism industry. They purchase separate elements of transport, accommodation, transfer, guiding and a multitude of other travel related services and combine them into packages to be sold directly or indirectly to

customers. The value of tour operators in the tourism system lies in their ability to secure discounts through bulk purchases, to assemble convenient and well-made packages and facilitate their customers, business or retail, by offering comprehensive packages at attractive rates.

The travel products (several kinds of package tours) which they plan and design are sold to the consumers through their sales departments (directly) or their owned travel agencies (vertical integration). Or through independent travel agents (indirectly) that act as their retailers and are paid with commissions on sales.

The travel agents do not purchase in advance travel products for resale to their clientele. Actually, only when a tourist-consumer has decided on a travel product purchase, the travel agents approach the cooperating tour operators or other tourism service providers on their customer's behalf in order to make a purchase, according to their wishes. Therefore, the travel agents do not carry stock of travel products (tickets, accommodation, tour packages etc). This characteristic could operate as an advantage to the consumer, since it contributes to the impartiality of advice that the agents give their customers (assuming that the commissions on sales are equal). Also, it sets a marketing issue for the tour operators in their need to count on travel agents distribution channels to sell their products. However, travel agents can be considered, on a rare basis, producers when the structure of their business allows the creation of tourism packages.

The extremely competitive nature of the tourism sector, always required for the survival of travel entrepreneurs to apply good management and offer good service. Over the last few years especially the last decade, another issue raised that of technology and the internet as a means to connect with retail buyers and as a selling point.

It is understandable that tour operators, either as wholesalers or producers, are less affected by the changes in technology. Therefore, the main focus of this paper is the retail tourism business and the travel agencies as the most vulnerable component of the tourism system.

## **2 theoretical background**

More than a decade has passed since several authors pointed out that in the time of the internet and e-commerce, traditional travel agencies must go beyond the simple business of hotel bookings and air ticketing and add value to their services (Buhalis and Laws 2001, Cheyne, Downes and Legg, 2005). Several pointed out that the various online systems allowing the tourism product providers to access directly the end customer cause a certain disintermediation of the classic tourism market changing the role and limiting the importance of the traditional travel agency (Hagel and Armstrong, 1997, Chircu and Kauffman, 2001, Buhalis, 2003, Law et al, 2004, Dolnicar and Laesser, 2007, Law, 2009). Some have even argued that the classic travel agency is a relic of the past, facing extinction in an era where the prospective traveller has ample choices via the various online systems (Card et al, 2003).

Airlines have eliminated the commissions for air tickets and most hotels have several outlets to offer their product, including their self-owned sites. This situation, as several studies suggest, is irreversible and most travellers are bound to use the online booking systems instead of the traditional agencies (Law and Wong, 2003, Law et al, 2004, Pearce and Schott, 2005, Law, 2009).

According to Kau et al. (2003), a combination of factors facilitates e-commerce success, such as access to information, the ability to easily compare and the convenience of not physically needing to go out to a shop to purchase an item. These positives are countered by a set of negative factors, such as concerns about privacy, security issues such as credit card fraud and the inability to touch and feel the goods.

However, several years after the first declaration of the travel agent's demise they are still around offering their services. Information from the USA market as presented by the American Society of Travel Agents (ASTA, 2013) clearly indicate that travel agents are in much better situation than it would be expected. Specifically, in a comparative study of ASTA among its members concerning their activities and the increase or decrease in business volume they noticed between the year 2003 and the year 2013, the majority of travel agents claim to have substantial increase in the areas of business travel, groups and tours, hotel bookings and cruises, while they saw a rather steep decline on air tickets sales and car rentals. Another area they have increased sales is the relatively new area of travel insurance that was rather insignificant as a source of income a decade ago.

The American Society of Travel Agents, (2013) studies also indicates that the way of operation for travel agencies has changed with their members concentrating either on the upper scale of sizable agencies with multiple employees and associates or exactly the opposite with independent home based travel agents that operate alone or in collaboration with a large agency. In fact the number of small, independent and home based agencies has increased over 400% over the last decade while the classic retail agent with a "shop" accommodating walk-in clients has decreased considerably. It is obvious that agencies forgo the classic "brick and mortar" centrally located in a market area shop for a more flexible and cost effective model that combines employees, home based associates and the use of technology to save on office space and subsequently operating expenses.

Another interesting element in the ASTA studies is the fact that even though telephone communication remains a standard form of communication between the agent and its clients and between the agent and the various service providers, the use of email, websites and other forms of communication via the internet increases yearly.

In a similar vein the Association of British Travel Agents (ABTA) through their travel industry research for the year 2012 and 2013 claim that the majority of their members saw an increase in their business volume that appears to be directly associated to the fact that an increased percentage of British travellers elected package tours as their means for vacation travel, stating the superior value for money and security as their main reasons of choice in a time of economic crisis. Pearce and Schott (2005) in their study of inbound travel to New Zealand indicate that travel agencies are more likely to be associated with international rather than domestic, and with packaged rather than individual travel. In their study for online shoppers and non-shoppers of travel products Card et al (2003) showed that package tours had the lowest percentage among the travel products purchased online, a mere 13,9 % compared to the 82,4 % of the air tickets.

ABTA also notices a possible reverse to the closing down of traditional "brick and mortar" "high street" agencies with several companies electing to open shops in central locations to serve as a promotional and advertising focal point to the potential clients.

These findings seemingly oppose the literature claims over the future of travel agencies. The information provided by these, industry sponsored, market researches indicate that many traditional travel agencies have paid attention to the changing times and altered their activities serving more as consultants on travel services (Dolnicar and Laesser, 2007), concentrated on offering more complex services like packages and tours and helping the less experienced traveller navigate through the various and often misleading tourism product offer to achieve



the best value for money. Another role that many travel agents seem to have embraced is that of the specialist catering to the needs of specific niche markets.

Another explanation for the survival of the travel agency and the agent is the fact that apparently the travel industry has not simplified. While the evolution of online travel distribution made it possible for suppliers to establish a direct link to the customers, it also introduced new complex levels of intermediation. It has been observed that the excessive flow of information, products and services available online, leads to a certain consumer confusion (Matzler and Waiguny, 2005), that impacts negatively on potential online buyers. Unclear information about the services and the terms and conditions is a serious deterrent to online booking.

It appears that in practice many consumers do not have the time, confidence, desire, and most importantly knowledge, to always make informed decisions about their travel choices (Kauffman and Wood 2007), as too often they are *'spoilt for choice'* (Earl and Mandeville, 2009). As a result the market instead of becoming simplified with the tourism product providers accessing their potential clients directly, through their self-owned websites, it was dominated by a new breed of travel agencies, the Online Travel Agencies (OTAs). They serve as intermediaries being the ones establishing direct contact with the clients (Lee, Guillet and Law, 2013) offering them the variety and comparison of services that individual service providers, promoting their sole product, cannot.

Another issue that the predictors of a more simplified tourism market, without the travel agent intermediary, did not take into account was that an on-line business has operational costs as well (Earl and Mandeville, 2009) and so does direct contact with the end customer. The fact that most airlines now add service fees to clients booking directly through their self-owned websites, clients that they originally lured away from the travel agents with the promise of lower rates without commissions, is a testament to the fact that customer service does have a cost.

As a result, travel distribution systems today are more layered and complex structures than ever before (Kracht and Wang, 2009) with various businesses overlapping offering added value to the customer. The current market is like a hybrid with consumers that are increasingly dependent on online search using constantly computers, tablets and smart phones. On average, they are visiting nearly two dozen websites before making their final purchase decision (Thakran and Verma, 2013).

Even though, online booking systems have taken their hold on the market it does not mean that their dealings with providers and customers alike are considered successful. Apart from the obvious competition problems the overflow of information creates, there are always problems with the placement of hotels, commission disputes and agency issues (Thakran and Verma, 2013). It is often the case that the hotels which place their inventory on OTAs cannot have full access to the information that drives the sorting process, which is not fully transparent. This is a major agency issue since an OTA serves its own interests not the ones of its providers and takes advantage of the direct contact established with the client to achieve the more profit possible (Thakran and Verma, 2013).

Several studies conclude that search engine users are unwilling to invest extra effort to improve their strategies and often settle on simple keyword searches, viewing only the first results page (Haglund and Olsson, 2008; Jansen, ET AL., 2008; Griffiths and Brophy, 2005). This implies that information seekers tend to use the most convenient search method. Searches end as soon as minimally acceptable results are found. This emphasizes an inclination on the part of most searchers to use tools that are familiar and easy to use as well as settling with the results that are more easily offered to them.

Hotels and other accommodations are well aware that a high placement, preferably on the first page and the first entries on any intermediary's search "results page" is essential for the realization of bookings since most potential buyers do not go further than the first page (Pereira, 2001). It is this favourable placement that they negotiate with providers, at their benefit, by pushing hotels for rates and commissions. Subsequently though, many hotels retaliate by either, offering the OTAs clients the worse possible hotel rooms, favouring direct bookings or actively attempting to lure clients to make direct bookings with offers of discounts or upgrades (Thakran and Verma, 2013).

Surprisingly, it can be argued that it might be in the best interests of several tourism providers like hotels, cruise companies or even small airlines to cooperate with a multitude of experienced and professional travel agents than fall prey to the aggressive selling programs and control of large online travel agents.

In this far more complicated internet era with an overflow of information it should not come as a surprise that the travel agency shows such resilience. According to Law (2009) customers believe that travel agencies can "provide a better service in terms of human touch, professional counselling, and risk reduction" while Dall Olmo Riley et al (2009) point out the need consumers have for "face to face encounters" with the service provider.

For some time it was assumed that online direct marketing of tour operators and subsequent disintermediation would water down the intimate customer relationship, so cherished by travel agents (Berne, Garcia-Gonzalez and Mugica, 2011). However, in an earlier article Perkins (2006) indicated the obvious, specifically that travel agents possess experience in handling complicated tours, access to professional distribution channels and business websites and can save time and effort to the traveler. As Asonitou and Hassall (2008) suggest in the 21<sup>st</sup> century the most important product will not be the physical goods or services but rather knowledge and the ability to manage knowledge. The talk now is of the "knowledge age" rather than the "information age". Travel agents possess extensive knowledge and information about destinations and tourism products. They can also provide assistance if a problem occurs during a trip, what appears as the most valuable service to most clients electing to use their services (ABTA, 2013).

Based on these elements from the tourism literature a limited survey was conducted in the campus areas of an Athens University. The specific location was chosen because it offers great advantages, such as its central location within the city nexus and the easy access as well that it attracted respondents mostly from the lower age brackets, with 75% of the respondents on the 18 – 25 age group. Precisely the age group that, supposedly, should have forsaken the classic travel agency, in order to conduct all its tourism business via online booking systems.

### **3 objectives of the study**

This study has the following objectives:

- To concentrate on the young ages, who are the future tourism clientele and the dominant internet users
- To examine the type of modification of the travel agent's role and the conformity, or not, to the literature's indications
- To specify the distinct services that are sought through a contact with a traditional travel agent as opposed to an online booking system

- To indicate the modifications or changes the travel agents must undertake to adapt in the new business environment

#### 4 RESEARCH SAMPLE

##### Profile of the sample

The total sample contained 221 participants. 59% of the respondents were females and the 41% males. The sample constituted mainly of respondents in the lower age brackets with 3% in the under18 age group, 75% corresponding to the 18 – 25 age groups and 18% to the 26 – 35. The age groups of 36 – 45 had 1% of respondents and 46 – 55, 3%. The large representation of the younger age groups was to be expected due to the location where the research was conducted and it was in the interests of the objective of this study.

56% registered as “student”, 26% as “private sector employee”, 6% claimed to be unemployed, 8% temporarily or part-time employed and 4% public sector employees. The options pensioner and housewife had no participation. Concerning the educational level 33% have secondary level education, 50% tertiary level, 15% have postgraduate studies and 2% have only basic education.

#### 5 QUESTIONNAIRE DESIGN AND FINDINGS

The questionnaire had several types of closed-end questions. The questions were a combination of dichotomous, multiple choice and rating scales. For the multiple choice questions the number of the resulting answers was bigger than the number of the participants, as it was expected. Therefore, the percentages which are presented below are calculated on the total number of answers which exceeded the number of the participants.

Table 1 – Internet usage

Do you use internet?	Yes	100%	No	0%
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Table 2 – Frequency of internet usage

How often do you use internet	Daily	4 – 5 times per week	2 – 3 times per week	Once a week	Never
	99%	0%	1%	0%	0%

Table 3 – Use of internet to purchase tourism products and services

Have you used internet to purchase tourism products and/or services online over the last year (at least once)?	Yes	77%	No	23%
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Table 4 – Tourism products or services purchased online

Services purchased	%
Air tickets	72%
Hotels/accommodation	35%
Coastal tickets	18%
Travel packages	3%
Car rental	5%
Restaurant bookings	2%

Table 5 – Average websites' visit prior to making a purchase online

How many websites do you visit on average prior to making a purchase online	%
1	2%
2 - 5	17%
6 - 10	46%

11 - 15	31%
More than 15	4%

Table 6 – Safety of online purchases

Do you consider online purchases secure?	%
Very much	2%
Much	19%
Moderate	51%
A little	25%
Not at all	3%

Table 7 – Traditional travel agency usage

Have you used the services of a traditional travel agent over the last year to purchase tourism products and services?	Yes	58%	No	42%
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Table 8 – Tourism products or services purchased through a traditional travel agency

Services purchased	%
Air tickets	21%

Hotels/accommodation	25%
Coastal tickets	24%
Travel packages	46%
Car rental	3%
Restaurant bookings	0%

Table 9 – Would you create a travel package containing multiple services and products (e.g. air tickets, domestic flights, multiple accommodation, local tours and or transfers etc.) outside of your country of residence by yourself?

Yes	22%	No	55%	Maybe	23%
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## 6 RESULTS and discussion

From the above tables it is evident that the findings are in accordance to the literature. The various online reservation systems have taken the bulk of bookings for simple services like hotel accommodation and especially air tickets.

It is clear that potential travellers will search for travel products from a variety of websites. However, they have issues with purchasing products online, since 51% of respondents consider internet transactions moderately safe and 25% little safe, meaning a total of 76% that consider online purchases not very safe. Only 21% consider online purchases safe. However, it is also evident, that the respondents in this study, mostly young people, thoroughly acquainted with the internet and technology in general would avoid purchasing directly online more complicated travel services, such as a package tour.

Additionally, the majority will avoid creating a complicated package tour abroad on their own using online services. Instead, they prefer a visit to a traditional travel agent. Specifically, 46% of the respondents stated that they have purchased package tours from traditional travel agents. This finding is also in accordance with literature and the opinions that support that the role of the travel agent has transformed to that of a travel consultant that adds value to the individual travel products and as a facilitator of the travel process for the traveller.

Regarding the classic tour operators, it is evident from the findings that their main product, the design and distribution of value for money travel packages, remains basically intact since they continue to provide two basic benefits to the potential traveller, a hassle free travel experience at a known cost, significantly lower, compared

to that of an individually created package. Actually, it appears that the lack of geographic boundaries that internet facilitates, allows both travel agents and tour operators to access clients outside their countries.

This study suggests that further research has to be conducted in order to replicate the findings. Future studies could combine qualitative with quantitative research approaches in order to gain a deeper understanding and extract more accurate information on the reasons why young people, who are considered internet dominant, would prefer to use the personal services of a classic travel agency and further more what kind of actions travel agencies can take in order to secure this valuable demographic group that represents their future clients.

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