

**Patrizia Modica**

# **SUSTAINABLE TOURISM MANAGEMENT AND MONITORING**

Accounting  
& Business  
Studies

Destination, Business  
and Stakeholder Perspectives

**FrancoAngeli**

## Informazioni per il lettore

Questo file PDF è una versione gratuita di sole 20 pagine ed è leggibile con



La versione completa dell'e-book (a pagamento) è leggibile con Adobe Digital Editions. Per tutte le informazioni sulle condizioni dei nostri e-book (con quali dispositivi leggerli e quali funzioni sono consentite) consulta [cliccando qui](#) le nostre F.A.Q.



The Series publishes research concerning two wide and interwoven fields: Theories of Firm and Organizations, Company Strategy, Corporate Governance, Business Ethics, Corporate Social Responsibility; Financial Accounting, Managerial Accounting, Social Reporting, Company Valuation, Internal and External Auditing, Financial Statement Analysis, Fundamental Analysis and Security Valuation, Accounting History, Corporate Disclosure and Communication to Financial Market.

The Series is open to contributions based on: different methodologies and methods; theoretical, empirical or experimental research; positive, interpretive, and critical approaches. Nevertheless, only rigorous, original, contributive and clear pieces of research that will make a contribution to the above mentioned fields of study will be published. Purely normative or descriptive works will not be accepted as well as inappropriate subject matter.

The Editor in Chief, the Co-Editors and the Editorial Board will insure that the Editorial Policy will be respected. They make a first appraisal of the publication proposals, considering their coherence with the aims and scope of the Series. The Editor in Chief and the Co-Editors, assisted by the Editorial Board, choose the reviewers, and guarantee a transparent and correct application of a double blind review process.

The members of the Scientific Committee, and other valuable scholars, contribute as reviewers, on the basis of their specific competency. Each member of the Scientific Committee can also select and address publication proposals to the Editor. In this case, the member cannot be involved in the reviewing process.

Our Series also hosts collected volumes. In this case, if the volume has a responsible editor and contains many chapters concerning different topics, a single blind review process is applied.

*This Series is supervised by AIDEA  
Collana accreditata AIDEA*



*Editor in Chief*

Francesco Giunta (Florence University)

*Co-Editors*

Luciano Marchi (Pisa University)

Lucio Potito (Federico II Naples University)

*Editorial Board*

Marco Allegrini (Pisa University)

Alessandro Lai (Verona University)

Roberto Maglio (Federico II Naples University)

Michele Pisani (L'Aquila University)

Ugo Sostero (Venice University)

*Italian Scientific Committee*

Paolo Andrei (Parma University)  
Luca Anselmi (Pisa University)  
Elio Borgonovi (Bocconi Milan University)  
Fabrizio Cerbioni (Padua University)  
Lino Cinquini (Scuola Superiore Sant'Anna, Pisa)  
Paolo Collini (Trento University)  
Stefano Coronella (Parthenope Naples University)  
Luciano D'Amico (Teramo University)  
Vittorio Dell'Atti (Bari University)  
Antonio Del Pozzo (Messina University)  
Enrico Laghi (La Sapienza Rome University)  
Giovanni Liberatore (Florence University)  
Riccardo Macchioni (Federico II Naples University)  
Stefano Marasca (Marche University)  
Antonio Matacena (Bologna University)  
Pietro Mazzola (IULM Milan University)  
Luciano Olivotto (Venice University)  
Antonella Paolini (Macerata University)  
Giuseppe Paolone (Pescara University)  
Angelo Riccaboni (Siena University)  
Stefano Pozzoli (Parthenope Naples University)  
Alberto Quagli (Genoa University)  
Paolo Tartaglia Polcini (Salerno University)  
Claudio Teodori (Brescia University)  
Riccardo Viganò (Federico II Naples University)  
Stefano Zambon (Ferrara University)

*International Scientific Committee*

David Alexander (The Birmingham Business School, UK)  
Bruce Behn (University of Tennessee, Usa)  
Garry Carnegie (RMIT University, Australia)  
Pablo Fernandez (IESE Business School, University of Navarra)  
Günther Gebhardt (Johann Wolfgang Goethe Universität, Frankfurt am Main)  
Richard Slack (Northumbria University, Newcastle, UK)  
Maria Shtefan (Higher School of Economics, Nizhny Novgorod, Russia)

**Patrizia Modica**

# **SUSTAINABLE TOURISM MANAGEMENT AND MONITORING**

Destination, Business  
and Stakeholder Perspectives

**FrancoAngeli**

## Acknowledgements

The author would like to acknowledge the support for this research of the DMO project #VisitSouthSardinia and Fondazione Banco di Sardegna. She would also like to thank the anonymous reviewers of this book, whose comments were very helpful in improving the manuscript.



1<sup>a</sup> edizione. Copyright © 2015 by FrancoAngeli s.r.l., Milano, Italy

*L'opera, comprese tutte le sue parti, è tutelata dalla legge sul diritto d'autore. L'Utente nel momento in cui effettua il download dell'opera accetta tutte le condizioni della licenza d'uso dell'opera previste e comunicate sul sito [www.francoangeli.it](http://www.francoangeli.it).*

# CONTENTS

Introduction	p.	9
--------------	----	---

## PART I TOURISM DESTINATIONS: SUSTAINABLE DEVELOPMENT, MANAGEMENT AND MONITORING

<b>1. Tourist destination: the social context investigated</b>	»	17
1.1. The <i>destination</i> in tourism analysis	»	17
1.2. The <i>destination</i> in tourism literature	»	18
1.3. The <i>destination</i> as a unit of analysis	»	21
1.4. The <i>destination</i> through a tourism area life cycle model and stakeholder theory, preliminary concepts	»	22
<b>2. Sustainable tourism development in destinations</b>	»	23
2.1. Premise	»	23
2.2. Background of sustainable development and tourism	»	23
2.3. The philosophy of sustainability	»	25
2.4. Components of tourism sustainability	»	26
2.4.1. Natural environment	»	26
2.4.2. Economic environment	»	28
2.4.3. Social, historical and cultural environment	»	32
2.4.4. Managerial environment	»	33
2.5. Sustainable tourism destination	»	34
<b>3. Management and monitoring sustainability in the tourism sector</b>	»	37
3.1. Management and resource governance	»	37
3.2. Tools for managing tourism resources	»	38
3.2.1. Public sector plans and methods	»	39
3.2.2. International institutions programs	»	45

3.2.3. Private sector involvement	p.	46
3.3. Managing and monitoring tourism impacts: sustainability practices	»	47
3.3.1. Environmental impact analysis and environmental management systems	»	48
3.3.2. Codes of conduct for tourism	»	49
3.3.3. Tourism certifications	»	50
3.3.4. Indicator techniques	»	51
3.4. Effectiveness of managerial and control tools in tourism sustainability	»	52
<b>4. Indicator systems for sustainable destinations</b>	»	55
4.1. Preamble	»	55
4.2. The European Tourism Indicator System (ETIS) for sustainable destinations	»	56
4.2.1. ETIS toolkit	»	57
4.2.2. ETIS indicators	»	58
4.3. The World Tourism Organization (WTO) indicator system	»	59
4.3.1. WTO indicators	»	61
4.4. The Global Sustainable Tourism Council (GSTC) criteria and indicators program	»	62
4.4.1. GSTC criteria and indicators	»	63
4.5. The Global Reporting Initiative (GRI) for sustainable organizations	»	64
4.5.1. The GRI indicators	»	65
4.6. Comparisons among indicator systems	»	66
4.7. Indicator systems: potential and value for tourism stakeholders	»	69

## PART II

### COLLABORATION, PLANNING, AND DECISION-MAKING IN A SUSTAINABLE TOURISM TRANSITION

<b>5. Research design and methodology</b>	»	75
5.1. Research questions	»	75
5.2. Design and methodology of the study	»	76
5.3. Research methods	»	79
<b>6. Stakeholder theory and tourism area life cycle model</b>	»	82
6.1. Premise	»	82



6.2. An introduction to stakeholder theory in the tourism sector	p.	82
6.3. The foundation of stakeholder theory	»	83
6.4. A stakeholder theory framework for tourism analysis	»	87
6.5. Tourism Area Life Cycle (TALC) theory	»	88
6.6. TALC theory systematization and evolution	»	92
<b>7. Empirical evidence in sustainable tourism destinations</b>	»	94
7.1. Introduction to the selected case study destinations	»	94
7.2. Overview of the destinations	»	96
7.2.1. The destinations at the involvement stage	»	96
7.2.2. The destinations at the development stage	»	99
7.2.3. The destinations at the consolidation stage	»	102
7.3. Questionnaire data related to life-cycle, stakeholder approach, and sustainability in the selected destinations	»	106
7.3.1. The destinations at the involvement stage	»	107
7.3.2. The destinations at the development stage	»	108
7.3.3. The destinations at the consolidation stage	»	109
7.4. Data analysis of life-cycle, stakeholder approach, and sustainability in the selected destinations	»	111
7.4.1. Analysis of section one of the questionnaires	»	111
7.4.2. Analysis of section two of the questionnaires	»	114
7.4.3. Analysis of section three of the questionnaires	»	117
7.5. Conclusive considerations	»	119
7.5.1. Critical analysis of the research results	»	119
<b>8. Conclusion</b>	»	122
8.1. Final review of the research	»	122
8.2. Discussion and further development	»	124
<b>Appendix. The questionnaire form of the case study</b>	»	127
a) The respondents questionnaire	»	129
b) The analysis questionnaire	»	137
<b>Bibliography</b>	»	145



# INTRODUCTION

Sustainable tourism is a way of thinking and acting that institutions, enterprises, destinations, organizations and tourists have been following for many years. The word *sustainable* is frequently utilized in tourism policies, tourism industry reports, and in the language of non-governmental organizations (Bocken *et al.*, 2014; Fennell, 2001; Mundt, 2011). It also has received growing attention from tourists, who are the central element of the tourism phenomenon.

Sustainability and tourism development can have opposing objectives. Tourism and business activities can have negative impacts on a tourism area, specifically, on the natural, historical and cultural environment; on the community of residents; and on tourists. In order to preserve the health of tourism destinations, it is necessary to link economic development, tourism development and sustainable principles in the governance of territories – rural and urban areas, islands, parks and protected areas, ecosystems, and the like.

The origin of the modern concept of sustainability can be found in the environmentalist consciousness developed in late 1960s (Holden, 2008), after the reconstruction of European economies, following the Second World War, and their successive economic growth (Temin, 2002). The phenomenon of industrialization in Europe and USA highlighted the environmental crises and, consequently, the environmental costs (Hoffman *et al.*, 2008; Moore, 2000). An essay by Boulding in 1966 examines the exploitation of natural resources and the limits represented by their scarcity, comparing the earth to a spaceship facing the challenge of conservation for its own future existence (Boulding 1966).

In the same decades, also the international demand for tourism started to increase at a very fast pace. Initially, the tourism industry was perceived and considered as a green one; at a later stage, with the expansion of mass tourism, concerns about the impacts of tourism on the natural and cultural heritage started to grow and influence behaviours (Buckley, 2012).

Masses of tourists mean an unsuitable use of the environment and, consequently, mass tourism has been recognized as one of the global change syndromes (WGBU, 1996). This statement can be considered the starting point of the current study. In this perspective, the investigation object, *sustainable tourism management and monitoring*, explains this research aiming to provide a tentative contribution to sustainability applied to the tourism sector. European sustainable tourism initiatives at a sub-national level (EC, 2013), following the EU strategy of sustainable development (TSG, 2007) represented a further intent to investigate this challenging field. Additionally, the study has been influenced by the observation of sub-national tourism development started in early 1960s in a Mediterranean region, its impacts on the environment and related aspects, and the general lack of management and monitoring of these impacts during time at the local level. The current research try to contribute to the debate on sustainable tourism, considering the development of international and European standards of sustainable tourism principles, criteria and indicators and their potential to fill the gap of information at local level for informed decisions of tourism stakeholders (Miller, 2001; Miller and Twining-Ward, 2005). International case study destinations applying tourism management and monitoring systems are considered. In this regard, the infield experience of the author can represent the inspiration to start the study.

The Brundtland-Report of the World Commission on Environment and Development, *Our Common Future* (WCED, 1987), revitalized the concept of *sustainability*, which previously referred primarily to only environmental aspects, but is now broadened to require a balance between current needs and the needs of next generations. More explicitly, the sustainability of tourism is now comprised of the three pillars (UNWTO, 2004; UNEP and UNWTO, 2005; ILO, 2010) – environment, economy and community – that need to be managed at a destination level for maximizing tourist experience (Saarinen, 2006). Sustainability is portrayed in literature as a continuous process of transformation in time and space (Miller and Twining-Ward, 2005; Farrell and Twining-Ward, 2005), which represents a challenge for public decision-makers and managers in destinations.

This research, titled: *Sustainable Tourism Management and Monitoring. Destination, Business and Stakeholder Perspectives*, considers fundamental

aspects of sustainable tourism issues such as *management* and *control* of tourism activities. Specifically, it investigates the competitiveness of *tourism destinations* in the national and international travel market with the involvement of *stakeholders* that engage in the production of tourism goods and services and planning and development decisions, through the use of indicator systems. Furthermore, the interplay of sustainable tourism, management, monitoring, destination life cycle, and stakeholder involvement are considered as important constructs of tourism development in destinations and their competitiveness. The importance of tourism management and monitoring at a destination level is also highlighted by the development of sustainable tourism indicator systems by international organizations (GSTC, 2012; UNWTO, 2004) and, recently, the European Commission (EC, 2013), which has the priority to maintain Europe as the leading tourism destination in the world.

The research paradigm followed in the study is interpretative (Corbetta, 2003; Decrop, 1999; Riley and Love, 2000). The social context investigated is the destination. According to the World Tourism Organization (UNWTO, 2007), a local tourism destination includes tourism products and services, attractions, and tourist resources. The destination can be investigated within its physical and administrative boundaries; the destination is also identified through its image in the tourism market. This defines destination competitiveness in the international and national context. Depending on the use of natural resources and the impacts on the economy and the socio-cultural environment, the destination changes over time; a destination can evolve or decline in its lifecycle. Considering that positive or negative stages of life in destinations can be also determined by the stakeholders' attitudes and actions, this research analyses the destination through the following frameworks: stakeholder theory and the tourism area life cycle (TALC). The stakeholder theory was first applied to business, and, in recent decades, to other fields including sustainable tourism (Freeman et al., 2010). TALC theory is generally considered one of the most powerful tourism theories (Hall, 2006) and is used in this study to investigate possible relationship among levels of sustainability, levels of economic development and related quality of stakeholders in tourism destinations. The methodology adopted in the study is inductive, allowing the proposition of the study results as a possible guide for decision-makers in destinations. Arguments, above the mentioned relationships, and explanations are derived from case study observations. This approach represents the major objective of the research that is to investigate the connections between tourism, territories and people. The contribution of this study to the field is the analysis of a range of

destinations around the world that are at different level of tourism development. The methods used in the study are qualitative regarding the consideration of literature and tourism monitoring standards, and the analysis of information and documents available in an international assessment of sustainability held in the period 2012 to 2013. A questionnaire was addressed to the international assessors of destinations involved in the above mentioned program in order to evaluate the area life cycle and stakeholder approach in destinations included in the international evaluation program.

Assuming that tourism impacts can probably spread negative effects, the impulse of the current study is to contribute to tourism management and monitoring development at the sub-national level. This monograph considers two research questions: a) Which kind of managerial tools allow destinations to preserve the current natural heritage in order to guarantee the conservation for future generations?; b) Are these managerial tools effective for sustainable management of tourism in destinations to assure the future of their existence? The following are the hypotheses to be addressed: first, effective management of tourism impacts in destination requires adequate indicator systems; second, the effectiveness of indicator systems relies on destination stakeholders' commitment; third, sustainability, area life cycle, and governance are intrinsically related in destinations.

The research is developed in two phases. First, the destination and sustainable tourism management and monitoring are considered through the analysis of the relevant literature and indicator systems developed in the international and European context. Second, stakeholder theory and tourism area life cycle are used as the basic framework of the research. The study considers the stakeholder theory as the basis to explain the relationships between organizations in sustainable tourism development (Byrd, 2007; Timur and Gets, 2009). Sustainability in destinations is a process that needs to be planned, managed and controlled with the involvement of the key relevant stakeholders, including: municipalities, private sector actors, trade associations, and non-governmental organizations (NGOs). The sustainability and development of a destination are also analyzed in the research through the tourism area life cycle theory. The TALC model was theorized in 1980 by Butler and is still quoted and used in tourism research. It represents a pattern of development of tourism resorts throughout the world.

The information and data collected in the research refer to a limited number of destinations in the world that have recently participated in a sustainable tourism criteria and indicators evaluation program. This program was based on the desk and field assessment of the sustainability of selected destinations according to international recognized standards.

The following outlines the organization of the book.

The first part, *Tourism destinations: sustainable development, management and monitoring*, is comprised of four chapters. This first part represents the foundation of the current research. Part I outlines general concepts related to tourism, such as destination, and gives insights on specific issues the research questions and related hypothesis are addressed to. Chapter one, *Tourist destination: the social context investigated*, is an outline of the tourist destination and its basic elements – attractions, public and private facilities, accessibility, human resources, image, price – in the perspective of management and monitoring. Chapter two, *Sustainable tourism development in destinations*, is intended to provide an overview of tourism development and sustainability. A review of the evolution of the subjects and literature is conducted. Chapter three, *Management and monitoring*, is based on the consideration that tourism and business activities can have negative impacts in a tourism area, specifically on the natural, historical and cultural environment, on the community of residents and tourists. The coordinated management and control of the various components of tourism products within the complex tourism system allow destinations to maximize value for visitors ensuring destination benefits and sustainability. Finally, chapter four, *Indicator managerial systems*, critically considers international and European indicator systems developed in the last decades as a mean of sustainable management in tourism destinations.

The second part, *Collaboration, planning, and decision-making in a sustainable tourism transition*, is composed of three chapters. This second part represents the development of the present study with reference to methodology, theoretical framework, case study and analysis. Chapter five, *Research Design and Methodology*, describes the overall design of the research monograph, and deeply highlights methodology and methods. The empirical investigation is based on destinations included in a recent international sustainability assessment program<sup>1</sup>. Qualitative techniques – ethnographic analysis – and questionnaires addressed to international destination assessors are used to identify the cycle of life, stakeholder approach and sustainability efforts in every destination considered. Chapter six, *Stakeholder theory and tourism area life cycle model*, provides an analysis of the stakeholder theory and tourism area life cycle model that

<sup>1</sup> In all the book sections, specific reference to the program, the names of international organizations, and destinations that participated to the sustainability assessment have been accurately avoided, due to policies and agreements between the parts involved in the international program.

allows for the establishment of a theoretical framework that is useful for comprehending the relationship between the different stakeholder approach and the development of tourism in destinations. Chapter seven, *Empirical evidences in sustainable tourism destinations*, considers the selected destinations and analyses related to the aspects of sustainability, such as: management, social, economic, environment and community. The analysis of questionnaires that were addressed to destination assessors completes the review of information collected. The objective is to interpret the real destination contexts through the theoretical framework proposed. Answers to the research questions and hypotheses are presented. Eventually, *Conclusion*, provides a summary and review of the research and final considerations. Future research perspectives are outlined.

The study will contribute to the scientific debate on tourism development and sustainability as a challenge for the future existence and prosperity of destinations. Specifically, monitoring through the use of adequate indicator systems will benefit tourists, residents, and enterprises and, in general, all the stakeholders engaged in the management of tourism. The research is expected to positively support the hypothesis that there is an intimate connection between sustainability, area life cycle, and governance in destinations. Furthermore the research can provide a practical contribution to destination stakeholders by inspiring collaboration, planning and decision-making in the sustainability journey, which will enable ongoing development and continuous improvement in territories and areas involved in the tourism arena.



# PART I

## TOURISM DESTINATIONS: SUSTAINABLE DEVELOPMENT, MANAGEMENT AND MONITORING



# 1. TOURIST DESTINATION: THE SOCIAL CONTEXT INVESTIGATED

## 1.1. The *destination* in tourism analysis

Tourism needs *places* to visit and stay. As Middleton (1994) points out “All visitors go somewhere, to do something, at some time”; places are the vital component of tourism practice. In this practice, visitors leave their usual residence, reach some place in the world, and stay there as long as needed before returning home. Nonetheless, visitors require services, activities and products in the circular process that begins and ends in the same origin, generically intended as home. Because of this, tourism phenomenon is usually analyzed through the two components of tourism demand (Rispoli and Tamma, 1996; Johnson and Thomas, 1992) and supply (Liberatore, 1993); demand for tourism, and supply of tourism products are matched in places (Sainaghi, 2004) to fully complete the tourism experience (Smith, 1994; Cooper *et al.*, 1992).

Places are the entities this research is based on, inspiring the selection of the theoretical frameworks, specifically the stakeholder theory and the tourism area life cycle explained in the second part of the book, and case studies included, which highlight different places in the world. In tourism terminology, the appropriate word to describe the varied features of the object investigated is *destination*. Destination is not simply a physical space, a geographic area, or a territory; the concept of destination encompasses numerous aspects and includes fundamental elements that make every destination unique in the world.

## 1.2. The *destination* in tourism literature

Many places in the world cannot be defined destinations, as they lack of the basic elements necessary to characterize them as such. Tourists and/or same day visitors make a destination alive. In other words if a place has attractions that have the potential to attract tourism movement, that place can assume the semblance of destination. “Destinations are visited for purposes other than taking up permanent residence or employment remunerated from within the places visited” (Burkart *et al.*, 1981, p. 47). Visitors are not residents or workers, they do not actively and directly participate in the economic development of a territory; visitors are not part of the community of residents. A destination starts to breath and live when a first movement from the nearest areas arises. A destination starts to animate when it can offer visitors accommodation. “A local tourism destination is a physical space in which a tourist spends at least one overnight” (UNWTO, 2007, p. 1).

Depending on the boundaries of the space considered, a destination could be identified at different levels from sub-national (i.e. local, municipal, provincial, and regional), to national and supra-national (McLennan *et al.*, 2014). These levels are relevant for organizing the management of destinations for the purpose of defining roles and responsibilities (Modica, 2008). This aspect is also relevant for the definition of the country level to which refer and collecting data related to tourism in tourist destinations, that is tourism monitoring.

For the monitoring purpose, a key aspect of the book expressed in the first hypothesis<sup>1</sup>, the European Commission considers a destination the following: an area that is currently attractive or has the potential to attract tourists; a place recognized as a tourist destination with a range of tourism facilities and products; a place marketed as a tourism destination; a place where measuring the impact of tourism is achievable; and a place where tourism management involves public, private and resident stakeholders. (European Commission, DG Enterprise and Industry, 2013, p. 9). Different relevant elements emerge from the European Commission definition of destination in the perspective of tourism monitoring, including:

- a place identified as a destination that is monitored in the tourism development process can be positioned at the first phase of its life,

<sup>1</sup> The first hypothesis has been exposed in the introduction as follows: effective management of tourism impacts in destination requires adequate indicator systems.

i.e. a potential destination to be discovered as a tourist attraction, or be positioned in the next phases and consequently represent an attraction in the tourism market. It is important to highlight in the objective of the European Tourism Indicator System the value of monitoring destination first steps, building the destination and observing what is going on;

- a place recognized as a tourist attraction that provides a number of facilities and products. This is a strategic aspect in tourism destinations and constitutes a determinant in tourism demand and tourist planning.
- a place where efforts are conducted to spread knowledge of the destination through promotion. It is not immediately evident that promotion can be an aspect of sustainability. Destinations can promote on-site attractions, facilities, image and more generally, the destination brand. Destinations can also promote their sustainability initiatives and make tourists aware and become part of the process.
- a place where measurement of tourism demand and supply is possible. This can benefit all the stakeholders involved in the tourism sector at the destination level providing data and numbers that will allow and favour informed decision-making.
- a place where public administrations and private enterprises, together with the host community, are involved in the visitor management process. This ultimate aspect highlights the importance of collaboration and cooperation in sustainable destination management.

This brief analysis demonstrates the complexity of the tourism destination as a *system* comprised of attributes that characterize every single destination entity.

The World Tourism Organization lists the central elements of a tourist destination that attracts visitors and makes them part of the destination experience (UNWTO, 2007, chap. 1):

- attractions;
- amenities;
- accessibility;
- human factor;
- price;
- image.

All the listed elements, that will be further explained, typify a destination, forming its character and image, which can attract tourists with appropriate means of destination promotion and communication.