

Sustainable Destination Development: the Tour Operator Perspective

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ABSTRACT

Tourism has had a profound and irreversible effect on many destination areas. As the demand for new destinations increases, there is an unrelenting pressure for development in order to satisfy the growth of this complex, pervasive industry. This article presents the results of research undertaken into business attitudes towards sustainable tourism development by the British Federation of Tour Operators and Association of Independent Tour Operators members. The price-cutting competition of undifferentiated mass market operators continues to be a threat to sustainable destination development. Furthermore, the 1992 EC Directive on Package Travel is preventing operators from using local suppliers, which is a fundamental principle of sustainability. Copyright © 1999 John Wiley & Sons, Ltd.

Received 28 October 1996; Revised 15 August 1997; accepted 2 September 1997

Keywords: sustainable destination development; tour operator.

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INTRODUCTION

Given that tourists are consumers of the environment (Urry, 1995), tourism – axiomatically – requires quality human and natural environments. If the industry is not to contribute to further environmental degradation and destroy itself in the process, it must recognise its need to practise 'sustainable' development (Coccosis and Nijkamp, 1995). This means that environmental issues, in their broadest sense, are firmly on the agenda. As Poon (1993) indicates, the industry is undergoing rapid change and faces many challenges created by more experienced consumers, global economic restructuring and environmental limits to growth.

Companies involved with the tourism industry, however, commonly see practices of environmental or social responsibility as academic or unrelated to business interests (Forsyth, 1996). In order for pressure groups to present the right approach to industry, it is important for them to understand what the industry has accomplished to date. Therefore, studies such as this, which aim to measure the level of awareness and ascertain current practice, enable the pressure for sustainable development to continue in a practical, professional and positive way. As Gonsalves (1996) points out, the creation of a new world order, based on justice and participation requires the partnership and involvement of all people: 'real dialogue cannot take place in closed interest groups'; it requires regular meetings and forums for open discussion.

This research builds on the work of Forsyth (1996), Holden and Kealy (1996) and Carey *et al.* (1997); the objectives of the article are: to examine the social, cultural and economic impacts of tourism development and to deter-

mine how small and large tour operators perceive the impacts of their development.

THE INDUSTRY AND THE ENVIRONMENT

Between 1986 and 1996, revenues from tourism have almost tripled and the trade is expected to grow by a further 50% by the year 2000 – the highest growth rate of any mainstream economic activity (Madeley, 1996a). Yet the energy and environment-intensive production patterns of mass tourism today places enormous stress on the natural assets utilised by the industry and destroys exactly what it seeks. The age of unlimited growth and the exploitation of the environment and their hosts is rapidly drawing to a close. Poon (1993) refers to mass tourism as 'old tourism' and sees 'new tourism' representing opportunities for growth in an environmentally responsible, long-term paradigm, reflecting the wants of experienced travellers and growing interest in the world's finite resources.

It should, therefore, be of concern to the tourism industry that there is a global trend, especially in the Third World, to question its proliferation. Environmental activists are wielding increasing power everywhere and there is a clear recognition that tourism 'is not the smokeless industry it claims to be' (Gonsalves, 1996). In its business security outlook for 1996, the Control Risks Group stated 'the rise of global environmental activism in the past five years has left international businesses with nowhere to hide. If the late 1980s was the era of rapacious self-interest, the late 1990s will be the era of unprecedented accountability.' (Control Risks Group, 1996; cited in Gonsalves, P. (1996) *Tourism: The Broader Picture*, *In Focus*, 19, Spring p. 6).

Sustainable development

Sustainability is now an essential item in the vocabulary of modern political discourse (Mowforth and Munt, 1998), and following this popularisation of sustainable development as an environmental management concept in the late 1980s (WCED, 1987), a growing proportion of the tourism research literature has focused on the principles and practice of sustainable tourism development, which has

its origins in the wider issue of global sustainable development.

The general concept of sustainable development as espoused by the World Commission on Environment and Development (WCED, 1987) and others, encourages stewardship of all natural resources. Thus the loss of the stock of non-renewable resources available for future generations should be kept to a minimum, and the rate of utilisation of renewable stock should not exceed the natural regenerative capacity.

There are many different definitions of sustainable development within various contexts and frameworks. Allen (1980; cited in Elliott, 1994) places it in a sociological framework, defining it as 'development that is likely to achieve lasting satisfaction of human needs and improvement of the quality of life.' Others, such as Coomer (1979) and Turner (1988; cited in Elliott, 1994) prefer to place it within an economic/environmental framework, claiming that a sustainable society is 'one that lives within the self-perpetuating limits of its environment. It is not a no-growth society, but rather a society which recognises the limits of growth and looks for alternative ways of growing, whilst protecting the natural environmental stock.'

Sustainable tourism development, however, has social, environmental and economic implications and therefore needs a broader definition. The most frequently quoted is that of the Brundtland Report (1987), which defines sustainable tourism as 'development that meets the needs of the present without compromising the ability of future generations to meet their own needs.' It advocates the wise use and conservation of resources in order to maintain their long-term viability rather than the rapid, short-term development which has previously dominated the industry (Eber, 1992).

The reader should note, however, that there are so many definitions that many academics are now suggesting that the industry has redefined it to suit their own needs and to 'green' their own image (Mowforth and Munt, 1998). Others too are highly sceptical: 'is it a good idea which cannot be sensibly put into practice' (O'Riordan, 1988), or merely a way to 'destroy the environment with compassion?'

(Smith, 1993). Certainly, finding the balance along the 'tourism development and environment continuum' is proving very difficult, and is rife with value judgements; what appears to be sustainable in the West may not coincide with opinions of what is desirable to hosts in the developing world.

Nevertheless, the term sustainable tourism has come to represent and encompass a set of principles, policy prescriptions, and management methods which chart a path for tourism development so that a destination area's environmental resource base is protected for future development (Lane, 1994). Hunter (1997) describes the concept as a 'wish list' of desirable principles, which can be summarised as meeting the needs and desires of tourists while protecting the industry, the environment (natural, built and cultural) and the host community. His underlying concern, however, is that the principles of sustainable tourism are derived from a predominant paradigm that is overly tourism-centric and parochial. In consequence, it is failing to address many of the issues critical to the concept of sustainable development and may even work against the general requirements. Because tourism is a consumptive industry, it is merely concerned about protecting the immediate resource base that will allow tourism development to be sustained. It is at this point where potentially a real tension emerges between the general goals of sustainable development and the tourism-centric maintenance of resources paradigm, so evident in tour operating.

THE NATURE OF TOUR OPERATING

'Mass' operators offer a standardised package; they tend to be large vertically, horizontally and/or diagonally integrated companies (Poon, 1993). With these economies of scale, they have enormous buying power (monopsony) as well as considerable control of the distribution and sale of their product in the market place (monopoly power).

With a short-term outlook, British tour operators — particularly mass market ones — are characterised by small margins and, at the cheaper end, a largely undifferentiated product. This trend has continued despite increased domination of the market by three

large operators (Thomson, Airtours and First Choice). Consumer demand is still price-elastic and, despite moving towards oligopoly, the market has not yet witnessed the usual increase in margins associated with it (Forsyth, 1996). The operators in this market belong to the Federation of Tour Operators (FTO) — an influential consultative body comprised of nearly 20 leading operators such as Thomson (Holloway, 1994).

Specialist operators, in comparison, are small to medium-sized independent companies, specialising in particular geographic areas or types of holiday. They are a rapidly expanding sector of the industry, reflecting the increasing fragmentation of tourist markets where consumers want to experience something different. Operators who specialise in this type of tourism are represented by the Association of Independent Tour Operators (AITO), who market themselves as having principles of fair trade and sound environmental policies; there are approximately 150 members, with annual carryings of less than 200 000 (Ockwell, 1996). As Mowforth and Munt (1998) state 'there can be no doubt that the AITO values environmental sustainability, however it may be defined, very highly.' However, a requirement since 1993, common to both mass and specialist operators, is that they comply with the EC Directive on Package Travel regulations. Jones *et al.* (1997) observe that 'tour operators as wholesalers, are often totally reliant on their suppliers for the quality of their final product'; when considered in the light of the Directive, it is easy to see why Downes (1996) predicts that operators will require suppliers to indemnify them for failure to perform services or provide facilities. Laws (1997) notes that the Directive is 'intended to harmonise consumer protection across the whole community' and therefore all European operators are affected.

Although all types of inclusive tours represent solutions to a complex sets of problems for both clients and destinations by bringing a regular flow of visitors to destinations, they have put destination-based businesses at a bargaining disadvantage because they have obtained the initiative in persuading their clients which destination to visit (Laws, 1995). Cohen's (1978; cited in Weaver, 1994)

opinion that the bargaining power of developing destinations with unspoilt nature would increase has proved highly optimistic.

In the case of many islands, microstates or peripheral economies, primary control of the flow of tourists to the destination lies with companies based in the tourism-generating countries (Hall, 1994). Kent (1977; cited in Hall, 1994) describes tourism as an industry 'dominated by large corporations which utilise a vertically integrated economic structure to maximise their returns from the tourist dollar; thereby leaving very little economic opportunities for secondary businesses run by local people.'

The power and size of Transnational Corporations (TNCs) has an enormous impact on developing countries; often the TNCs are much larger than the countries where they operate. Thomson's sales in 1984, for example, were four times more than the gross national product of The Gambia. Their size gives them bargaining power and leaves very little benefit for the developing country (Madeley, 1996b).

Martin Brackenbury, Development Director for Thomson (itself a transnational empire) and President of the Federation of Tour Operators, pours scorn on the claims of the 'green' lobby which alleges that mass tourism is rapidly turning the world into a global theme-park for the entertainment of the wealthy at the expense of the poor. He claims that 'most local people want change, they want the money to have a decent standard of living and a good education for their children' (cited in Curphey, 1996).

Nevertheless Omotayo Brown (1995) explicitly exposes the level of economic benefit that tourism actually brings to a Third World country, as all the major components of a packaged tour are bought in the tourist's country of origin in corresponding currency. The rest is superfluous spend and merely 'crumbs on the table'. This he blames on the virtual oligopolistic control and vertical integration where the growth in developing countries is not usually accompanied by a contribution of their own capital but international funding. Although it is true that the issue of leakage may be totally unavoidable in Third World tourism development, he firmly believes that the policies and practices of

transnational ownership and management of tourism projects exacerbates the problem. Furthermore, the figures quoted for foreign exchange earnings are usually gross amounts and do not take into account the real cost of imports found in the industry. The resulting net total is usually much smaller than quoted.

Yet, as the industry continues to stress the potential benefits, transnational investment remains very seductive. Initially, development may bring jobs and increased prosperity but long-term stability is not guaranteed. Choices of tourist destinations are highly susceptible to volatile fluctuations, particularly because of economic conditions in the tourists' country of origin and the perception of status associated with the destination (Shaw and Williams, 1994). This underlines the fact that sustainable development requires tourism to be part of a programme for integrated rural development. It should not dominate regions which may then become totally reliant on it (Mathieson and Wall, 1982; Krippendorf, 1984; Cater, 1993; Burns and Holden, 1995). According to Ashworth and Goodall, (1990) 'a tour operator's allegiance to any destination is tenuous'. As soon as it becomes less popular and less profitable, operators switch their alliances; Jones *et al.* (1997) note that 'most creative energy (from operators) is spent on seeking new destinations or marketing'.

Mass tour operators have, therefore, played a controversial role in respect of these 'environmental' impacts. Firstly they are responsible for the tourist concentration; because they operate under the 'economies of scale' principle they attempt to maximise the number of tourists in a resort. Secondly, as a result of this action they stimulate rapid and irrational development where no consideration of the environment is taken and where local people are unable to exercise little influence over the pace of development (Coccosis and Nijkamp, 1995).

This results in the commoditisation of tourist destinations and has the insidious effect of standardising culture, so that popular destinations lose their identity (Keefe, 1996). Destinations become substitutes for each other as tour operators' brochures emphasise general benefits such as beaches and entertainment. In these circumstances, a client's choice

between destinations reflect price advantages and convenience rather than the attributes of the specific place, its peoples and ecology. The commoditisation spiral is driven by four related factors: clients often have low loyalty to particular destinations, many tourists are keen to sample a variety of destinations, tour operators require consistent standards of facilities and service for their clients from every resort they do business with, and tour operators are able to switch clients to alternative destinations for a variety of logistical or other reasons (Laws, 1995).

Furthermore, as the supply-side is stimulated through bulk contracting of hotel rooms, hoteliers rush to expand their properties and the total capacity increases dramatically. The expansion of supply increases competition and decreases prices; tourists are able to buy cheap holidays which do not adequately cover the costs of the externalities. It is, perhaps, due to this supply-led industry that development has seemingly raged out of control in some places (Forsyth, 1996).

Gold (1996) criticises vertical integration for causing this 'over-supplied, force-fed unnatural market' because every integrated operator is fighting for an extra market share to compensate its high fixed costs and low profit margins. He thinks that the 'boom and bust' cycle will become worse as vertically integrated companies desert the more environmentally aware (and therefore more expensive) areas for those countries that see uncontrolled tourism as a panacea to all their economic ills. The mass tourists often pay relatively low prices as arrangements have been made through powerful operators who manage to achieve large discounts. As a consequence they pay little or no contribution to social costs involved in their consumption of natural resources. As profit margins get tighter, operators make even smaller contributions to local wealth (Coccosis and Nijkamp, 1995).

Specialist Operators

The fact that mass operators often conflict with western society's growing interest in conservation and related issues has led to an increasingly vocal call for alternative forms of tourism that are more responsive to local

community concerns, and which attract tourists who are more responsible in their behaviour (Hall, 1994). The development of special interest travel opportunities would appear to be a potential, valuable alternative to mass tourism. Specialist operating is, at present, relatively price inelastic, enabling substantial returns to be made from smaller numbers with greater spend (Hall, 1994). This is good news for the local ecology and the host environment and would appear to be 'controlled tourism'. However, although superficially attractive, the concept of controlled tourism begs the question once again, controlled by whom? (Prosser, 1993; cited in Cater and Lowman, 1994)

Whereas this 'new' tourism has been promoted as a greener alternative, many environmentalists argue that it is even more destructive than mass tourism because it brings tourists into direct contact with people in remote locations, thus intensifying acculturation and its attendant effects. For the host population, ecotourism 'shares many of the drawbacks of conventional tourism'; namely the international organisation of ecotourism, the high economic leakages, environmental degradation and socio-cultural disruption and exclusion (Cater, 1993; Prosser, 1993; cited in Cater and Lowman, 1994). Besides, the alternative today is becoming the norm for tomorrow, especially if large tour operators see large profit margins and local control happens to be inadequate. The danger, then, is that small operations may turn into much larger and more destructive concerns (Hunter and Green, 1995).

These misgivings have been highlighted by Holden and Kealy (1996) in their study of 39 UK outbound operators selling eco, green or environmentally friendly holidays. They identified some operators as moving away from being a 'green company' in response to possible future market demands. This would suggest that these operators are simply jumping on the environmental 'band-wagon' and have no real long-term commitment to the environment; green promises being merely a flagship for convincing marketing. More promising results, however, showed that most of their sample placed emphasis on local involvement; using local guides and accommodation Weiler (1992), in her study of small niche tour

Table 1. Company Profiles

	Approximate number of employees in UK	Number of destinations	Approximate number of passengers	Annual turnover	Mass or specialist
Company A (FTO)	100	15–20 worldwide	700 000	Not Disclosed	Mass
Company B (FTO)	200	15 worldwide	750 000	Not Disclosed	Mass
Company C (FTO)	150	60 worldwide	120 000	£90 million	More expensive mass market product
Company D (AITO)	20	Operate worldwide but mostly in Africa	2500	£2.5 million	Specialist
Company E (AITO)	3	42 worldwide	300	Not Disclosed	Specialist
Company F (AITO)	2	16 worldwide	350	£1.2 million	Specialist

operators in Australia, also found that there are a number of extremely conscientious, environmentally minded operators who are sincere in their attempts to practice sustainability. This is reinforced by the Carey *et al.* (1997) survey, which observed that 'the specialists are interested more in the protection of the environment.'

METHODS

The aims of the survey were to examine how small and large tour operators perceive the impacts of their development and to evaluate their level of response to environmental concerns. In order to satisfy these aims, the objective was to obtain 'rich' data. This pointed towards using a qualitative method involving relatively few people. According to Oppenheim (1992) 'the longer, the more difficult and the more open-ended the questions schedule is, the more we should prefer to use interviews.' In the light of this, a decision was made to undertake face-to-face, in-depth interviews.

In order to obtain a comparison of both large and small operators, directors and senior personnel of three FTO (Federation of Tour Operators) members and three AITO (Association of Independent Tour Operators) members were interviewed. Having obtained the directories of both these associations, the initial intention was to undertake systematic random sampling; however, this method of sampling proved unsatisfactory due to the high number

of companies unwilling to participate. The choice of operator was, therefore, very much decided on by the respondents' willingness to participate, i.e. the first six operators to agree. Given the seniority of all the interviewees, this was effectively 'elite interviewing': the individuals are influential and in a position to report on their organizations policies and future plans. Furthermore, 'elites respond well to ... intelligent, provocative, open-ended questions' (Marshall and Rossman, 1995). The difficulty concerning access to elites, observed by Marshall and Rossman, due to demanding schedules was overcome with these interviewees.

The FTO members who agreed to participate were Sunworld, British Airways Holidays, and Inspirations; whereas the AITO members included Wildlife Discovery, Guerba Expeditions and Wildlife Worldwide. Names have been omitted to protect confidentiality. See Table 1 for company profiles.

Validity and data analysis

Kvale (1996) suggests that the concepts of generalizability, reliability and validity have reached the status of a 'scientific holy trinity'; they appear to belong to some abstract world in a sanctuary of science far removed from the interactions of everyday life. Certainly, as far as tour operators are concerned, it is almost impossible to make generalisations, with each company having a different product, market

Table 2. The five key stages of the framework method

Stage	Description
Familiarisation	Becoming familiar with the ranges and diversity of the data and gaining an overview of the body of material gathered by reading and rereading the transcripts, listing key ideas and recurrent themes
Identifying a thematic framework	Setting up a framework within which the material can be sifted and sorted, making judgements about meaning, about the relevance and importance of issues and about implicit connections between ideas
Indexing	Applying the thematic framework to the data in its textual form, recording indexing references on the margins of each transcript
Charting	Building up a picture of the data as a whole by devising charts with headings and subheadings drawn from the thematic framework
Mapping and Interpretation	Reviewing the charts and research notes, comparing and contrasting the values and opinions, searching for patterns and connections and seeking explanations for these internally within the data, and externally by expert/academic review

segment, strategy and philosophy. Nevertheless, the subject of validity does need to be addressed; in this study, internal validity can be checked by using Ritchie and Spencer's (1994) 'framework' method of analysis, which allows the data to become visible and accessible to others.

This method of analysis involves defining concepts, mapping the range of responses, creating typologies, finding associations and developing new themes, and is a systematic process of sifting and charting material according to key issues and emergent themes. The five key stages to qualitative data analysis involved in 'framework' are detailed in Table 2.

In the final matrices, the authors drew upon a priori issues (those informed by original research aims and introduced into the interviews by the topic guide), emergent issues raised by respondents, and analytical themes arising from the recurrence of particular views.

In order to convey the data obtained and the typologies created following the analysis, the authors have used Miles and Huberman's (1994) 'conceptually clustered matrices', which are particularly useful to display clustered material, especially where clear conceptual themes have been identified by the preceding literature review (see Table 4, which is an example of these informant by-variable matrices, organised under major topic areas). Twelve tables were originated but owing to limited space only one of these tables is

presented in this article.

Empty boxes occur largely as a result of the emergent design, whereby the topic was (i) not applicable to the respondent or (ii) the respondent naturally moved away from or totally avoided the topic area altogether. It is worth noting that omissions are data in their own right and can reveal as much as admissions (Marshall and Rossman, 1995).

DISCUSSION OF FINDINGS

An important observation from this survey is the unclear dichotomy between mass and specialist operators. Specialist operators have a product which might be considered more sustainable; their volumes are lower, they are more likely to use local accommodation, local guides and services, and attract more environmentally 'aware' clients (Company D). However, mass operators who offered a differentiated, quality product at a higher price also attract a higher, spending, better educated and more aware customer who has chosen to visit a destination because they are genuinely interested in it (Company C). This shows the danger of using broad statements about mass and specialist operators; markets are never constant, they alter and change rapidly, as mass operators expand into specialist markets and specialist markets offer products that are gradually evolving into mass markets, i.e. safari holidays in Kenya.

It is, therefore, becoming more difficult to

Table 3. Types of mass and specialist markets according to price

Market	Price elastic	Price in-elastic
Economy mass	High volume Low price	Medium-high price High volume
Luxury mass	Medium volume Medium price	Medium volume High price
Premium mass	Low volume High price	Lower volume Higher price
Specialist	Low volume High price	Lower volume Higher price
Premium specialist	Minimum volume Higher price	Minimum volume Maximum price

clearly define a tour operator's market segment as there is no clear definition of mass and specialist tourism and boundaries between the two so often converge. However, a pattern is gradually forming between market segments determined by price, volume and price-elasticity of demand. There are mass market clients who pay for a high priced, quality product and other mass market clients who pay the cheapest price possible for a volume-intensive product (Table 3). Carey *et al.* (1997) also tackle this dichotomy by comparing mass and specialist operators across nine variables including price, average spend, structure of the product and target market.

Can tourism be sustainable?

The industry's attitudes towards sustainable tourism varied considerably (Table 4). Sadly both companies C and E felt that unless a monetary value is placed on the environment, its people and its ecology, they become unworthy of preservation; boosting local economies is of greater importance than protecting natural stock. Secondly the demand for a cheap holiday indicates that sustainable tourism is not compatible with mass market requirements. This fuels the increasing debate amongst scholars that sustainable tourism is a contradiction in terms; 'mutually opposing'

Table 4. Topic area: what are the industry's attitudes to sustainable tourism?

	In general	In practice
Company A (FTO) Overseas Director	'Good in principle but it's very hard to apply.'	'You are restricted in what you can use because of the new Directives'
Company B (FTO) Senior Product Manager	'Slightly cynical, the two are not necessarily compatible.'	'We are exposed to the cut and thrust of the tourism market. People will buy one holiday over another to save £5.00.'
Company C (FTO) Worldwide Product Manager	'It overstates the local issues to the detriment of more fundamental economic issues.'	'Without a boost to the local economy, then the environmental issues aren't going to count for anything.'
Company D (AITO) Director	'It's what we want and it's what the market wants. It's the way commercial things are going.'	'We employ the local population wherever we can.'
Company E (AITO) Managing Director	'In the long term, sustainable holidays will be cheaper because of the deprivation to the earth's resources.'	'Unless there is a financial value placed on the wildlife and resources, there will be no reason for them to remain in place.'
Company F (AITO) Managing Director	'It's muddy and self-interested – there is no such thing as sustainable tourism.'	'They are mutually opposing.'

(Company F). How can resources be both consumed and preserved?

Probably the most positive aspect overall of this survey was the fact that some of the mass market operators are beginning to listen to environmental concerns; if only judging by their willingness to discuss the subject during this and other recent surveys. Some operators are realising that there may well be a commercial advantage to be gained by being environmentally aware before industry standards and market expectations make it compulsory.

Nevertheless, it has occurred to academics (cf. Mowforth and Munt, 1988), as well as some industry representatives, that environmental policies have become nothing more than a marketing ploy and a vehicle for eluding regulation. Environmental departments and affiliations with 'glossy' campaigns have arguably become 'a PR exercise' designed to meet the growing awareness in some markets to appear environmentally sound and to attract higher spending tourists (Company C). Company F called for 'more honesty' and 'less hypocrisy' and made the comment that for sustainable tourism to be a marketable concept, tourists themselves have got to 'really buy into it'.

The power of market forces

The 'economy mass' operators, i.e. low price, high volume claimed that the most important obstacle to sustainable tourism was that any attempt by individual operators to take steps would put them at a commercial disadvantage. Governments were, therefore, much better placed to impose restrictions, which would commit every operator to raise prices, limit growth and control volumes.

They also claimed that their operations were too small compared with the rest of the market at a destination to have any influence: 'the markets where Britain is in a dominant position are less and less' (Company B). There are new 'generating' markets emerging, for example, East Germany, Russia and the Far East and these markets are less environmentally aware than the current markets; they have not reached the 'environmental age' as yet. So conversely, they do not see inappropriate development as being inappropriate at all.

New destinations that are emerging in the Far East are for domestic as well as international tourism and their domestic markets have little interest in sustainable development; 'a huge condominium block on the beach is a western and desirable thing to have.'

The second most important obstacle was the perceived irrelevance of sustainable tourism in the British market demand for low price, high volume holidays; consumers are not prepared to pay for a sustainable product. In this market, a holiday is chosen, firstly, on the basis of price. This reflects Keefe's (1996) argument that a client's choice of destination reflects price rather than the attributes of the specific place, its people or its ecology. Company A admitted that 'people only go to Goa or Kenya, because at certain times of the year, it is cheaper than going to the Mediterranean'.

The British outbound market has become accustomed over time to spending less and less on holidays (Forsyth, 1996). Price-cutting competition amongst the major operators has added uncertainty to the market, which is not in the interests of either customers or destinations. However, any collective agreements to increase stability or raise prices by either FTO or AITO would be seen as reducing free market conditions and may be opposed by the Office of Fair Trading (E. King, Office of Fair Trading, Personal Communication, 1996). This is an area that clearly needs targeting in order to publicise the negative effects of price competition on market stability and environmental planning.

The operators in this survey openly gave credence to Gold's (1996) opinion that the market is oversupplied, with each player fighting for market share to compensate its high fixed costs and low profit margins: 'The only way is to under-supply the market in the short-term' (Company B). If companies such as Inspirations and Sunworld were to raise their prices, they would go out of business because it is an oligopoly market dominated by powerful TNCs such as Thomsons, First Choice and Airtours (Laws, 1997); this renders their competitors powerless in price wars. Even these larger operators insist that, although they are important in general terms, their presence at specific resorts is too small to make an impact with regards to sustainable issues (Forsyth, 1996).

Specialist operators and socio-cultural exchange

It is easy to make the assumption that because enterprises are small, they behave more responsibly. Baratz's (1983; cited in Gage, 1991) study indicates that great care should be taken with the concept of what is 'obvious', as any result tends to be read as 'obvious' whether it is true or the opposite of true. Much has been written about the inherent misgivings of specialist tourism (Cater and Lowman, 1994; Hunter and Green, 1995; Holden and Kealy, 1996). Specialist operators take tourists 'deeper' into marginal economies and sensitive cultures where, as Shaw and Williams (1987) indicate, the negative social impacts are amplified. All of the specialist operators questioned revealed that there were aspects that did make them feel uncomfortable, especially where there was 'too much envy' (Company D) or where people are 'used as items of interest or just photographic subjects' (Company F).

Company E referred to 'deculturalisation' and 'pictures of Maasai warriors wearing Sony Walkmans' and suggested that 'after all why shouldn't they wear Sony Walkmans if they wanted to'. Anthropologists such as Krippendorf (1984) and Keefe (1996) see cultural diversity as desirable and precious, and in need of protection, others may see 'deculturalisation' merely as the process of change. Keefe's (1993) criticism that tour operators turn cultures into commodities to be exploited for profit simmers beneath commercial decisions; even for the specialist operators who openly admit that the stranger the culture, the more they would want to sell it as long as there was demand (Company D).

Mass operators and socio-cultural exchange

Whereas specialist operators had a feeling for the cultures they visited and the impacts they may have, the mass operators spoke only of economic benefits. They were that much more removed from the realities of the socio-cultural exchanges on their tours. For the two lower-price mass operators, different cultures are not their major selling point. They attract Plog's (1991) 'psychocentric' tourists who want

the security of western familiarity in exotic settings. Company A explained that where cultures are extreme, complaints are high and quite often this leads to them pulling out of a destination because they are unable to fill the seats (e.g. Morocco). This substantiates Ashworth and Goodall's (1991) contention that 'a tour operator's allegiance to any destination is tenuous'. As soon as a market declines, operators switch alliances. On the other hand, Carey *et al.* (1997) note that specialist operators organise only about 20% of 'resort' activities 'thus encouraging maximum possible exposure to local life', i.e. clients conform to Plog's near allocentric classification.

Accommodation

Of all the activities that make up the tourism industry, hotels have probably the largest impact on developing countries. The overwhelming majority of the largest hotels worldwide are owned, operated or managed by, or affiliated to TNCs (Madeley, 1996b). When the tour operators in this survey were asked whether they used locally owned accommodation, it was quite often difficult for them to state. Many hotels are locally owned but have Western management 'which is basically what Europeans and Americans want' (Company C). This underlines the difficulties in assuming that the direct employment associated with tourism brings as much benefit as the operators in this survey believed. As Lea (1991) points out many TNCs import the necessary skills and, therefore, immigrant workers get much of the employment benefit; leaving the menial roles for the locals.

Hotels in both sectors are mostly chosen on 'their ability to sell' (Company C) or their ability 'to entice clients to buy a holiday from their brochure'. The EC Directive on Package Travel, 1992, means that tour operators must always use what is best for the client, rather than what is best for the local economy and, nowadays, customers expect balconies, swimming pools and private bathrooms. Specialist operators are sometimes better placed to use small, local accommodation by virtue of the fact that 'you tend not to get Holiday Inns in remote areas' (Company E)

Governments and Regulations

All the specialist operators and one mass operator saw controlled development as a joint responsibility between host governments and tour operators. The specialist operators particularly were glad of regulations and guidelines, especially if they limit growth to maintain quality rather than quantity. Forsyth (1996) found, however, that some operators stated that 'they stood to lose from clumsy regulations and that joint negotiation with governments would reduce potential damage to business.' The results of this study showed that, in the most part, tour operators were prepared to comply with regulations but there were many concerns regarding the EC Directive on Package Travel, which they saw as being contrary to one of the fundamental principles of sustainability: the use of local suppliers. This substantiates Ockwell's (1996) argument that the EC Directive makes it 'almost impossible to rely on local involvement' and fights against Carey *et al.*'s (1997) observation that 'the EU is keen to support such initiatives' as customised products which benefit all destination stakeholders. To this end, destinations with a poor record in respect of tourist services may lose EU business, as Downes (1996) notes; 'the SADCC [Angola, Botswana, Lesotho, Namibia, Malawi, Mozambique, South Africa, Swaziland, Tanzania, Zambia, Zimbabwe] countries are reforming their structures and improving their legislation to ensure suppliers provide services of the quality and standard contracted for.'

CONCLUSION

This article has examined the social, cultural and economic impacts of tourism destination development with regard to published literature and industry opinions. Five conclusions can be drawn from the results. Firstly, there is a need for more clearly defined markets, rather than the traditional 'mass' and 'specialist' in order to reflect the growing diversity of operators. This would help marketers to position their product more accurately and also provide a more concise picture of how the tour operating industry is comprised. Secondly, many of the steps necessary to intro-

duce sustainable tourism are also desired by tour operators to increase margins and stability. The 'price-cutting competition' of undifferentiated mass market operators continues to be a threat to sustainable destination development and environmental planning. For the industry itself to be sustainable, there needs to be an increase in the quality of holidays for customers and an increase in margins for operators.

Thirdly, this suggests that mass operators are unable to regulate themselves. Conversely, small operators are often glad of regulations or guidelines to limit growth and thus preserve the quality of their product. Fourthly, the 1992 EC Directive on Package Travel is a real obstacle to sustainable development in so far as it quite often prevents operators from using local accommodation and/or suppliers for fear that specified quality standards will not be met or maintained. Furthermore, it is becoming extremely difficult to determine whether hotels are locally owned and managed or whether a percentage of the profits are being sent out of the country to interested parties.

The fifth conclusion is that awareness of environmental problems varies between types of operators and is related directly to perceived responsibility. Operators often believe that host governments have the major responsibility to ensure appropriate destination development. Third World governments find themselves in a weak, dependent situation and, therefore, feel themselves powerless to enforce restrictions on large operators once the infrastructure for tourism is in place. Therefore, the question remains whether mass tourism and sustainable development can be compatible when many of the key 'players', i.e. TNCs, appear to be outside the influence of developing country's governments.

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