

SUSTAINABLE TOURISM IN EUROPE



BENCHMARKING SUSTAINABLE TOURISM PRACTICES
WITHIN THE FORMAL ENVIRONMENT OF
EUROPEAN NATIONAL TOURISM ORGANISATIONS

**EUROPEAN
TRAVEL
COMMISSION**



**SUSTAINABLE TOURISM IN EUROPE: STATUS
QUO AND COMMON CHALLENGES.
BENCHMARKING SUSTAINABLE TOURISM PRACTICES
WITHIN THE FORMAL ENVIRONMENT OF EUROPEAN
NATIONAL TOURISM ORGANISATIONS**

A report produced by
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with the support of the
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This document does not represent the point of view of the European Travel Commission.

The interpretations and opinions contained in it are solely those of the author.

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Acknowledgements

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Foreword

At its 89th general meeting in April 2015, the ETC approved its first advocacy programme covering, among other topics, an increased focus on sustainability issues within European tourism. One of three Vice-Presidents, Ms. Ólöf Ýrr Atladóttir, was given the responsibility to implement this new focus.

In order to inform ETC's perspective on sustainability, it was agreed to gather knowledge on how the matter is addressed in individual member countries, and to compile an overview of the approaches and actions already in place. The proposal was to produce a report summarizing the current situation in Europe, the EU's standpoint towards sustainability in tourism, and any systematic approaches within ETC's member states.

A decision was made to allot financial support for a post-graduate research project, aimed at exploring these issues. The project was launched on February 18, 2016. The communication published here is a summary of that work. It is envisioned that this will become a foundation upon which the ETC could build recommendations for public organisations to work towards a sustainable and competitive future for the industry in Europe.

Introduction

The concept of sustainable tourism emerged initially as a response to the negative externalities of tourism activities, such as environmental damage and critical impacts on the host communities' societies and cultures (Zolfani, Sedaghat, Maknoon, & Zavadskas, 2015). Following the 1992 Rio Earth Summit, the direct relationship between tourism and sustainable development was further defined. Tourism is not only acknowledged as part of an economic paradigm of development that should respect and protect the ecological and socio-cultural environment of a destination. At the same time, tourism should grant a high-quality experience to visitors (Liburd, 2010) and foster the economic well-being of the local communities hosting tourism activities (Crouch, 2007).

Sustainable tourism has progressively become almost globally envisioned as the most desirable approach towards the development of tourism (Zolfani et al., 2015). As reported by the UN World Tourism Organization (UNWTO, 2016a), European tourism recorded an increase of 5% in international visitor numbers in 2015, resulting in a total of 608 million international tourist arrivals, and grew by a further 2% from January to September 2016 (UNWTO, 2016b). This ongoing growth in tourism flows does not only require that Destination Management Organisations monitor the destination carrying capacity in order to avoid destroying "the basis on which tourism is built and thrives" (Kester, 2002, p. 20), but also and foremost to act proactively and strategically so as to maintain destination competitiveness over the long term. This means creating and promoting value-added products that can sustain the destination's resources and, at the same time, maintain competitive position (Hassan, 2000).

This Master's thesis has been developed within the framework of a research scholarship, awarded to the author by the European Travel Commission (ETC), as part of its advocacy programme towards the promotion of sustainable tourism development in Europe. The European Travel Commission, based in Brussels, is a non-for profit organisation responsible for the stimulation of competitiveness and the promotion of Europe as tourist destination in third markets. Its member organisations, thirty-two NTOs in Europe, work together to share best practices, market intelligence and cooperate in the area of tourism promotion to maintain Europe's position as a world leading destination. On the basis of the Master's thesis research report, further actions in the field of sustainability will be defined by the ETC for the promotion of sustainable growth within the European tourism sector.

Executive Summary

This Master's thesis has been developed within the framework of a research scholarship, awarded to the author by the European Travel Commission (ETC), as part of its advocacy program towards the promotion of sustainable tourism development in Europe. The author, Silvia Fontolan, received full grades and distinction for the thesis.

The final aim of the thesis is to define, analyze and assess the status quo of sustainable tourism amongst the members of the European Travel Commission: thirty-two National Tourism Organizations in Europe.

Firstly, the study provides insights into the concept of sustainable tourism and how it is understood to influence a destination's competitiveness:

- ❖ *What is the common understanding of the concept of sustainable tourism?*
 - *How can sustainable tourism be measured and credibly demonstrated?*
- ❖ *What is the nature of the relation between sustainable tourism and long-term competitiveness of a destination?*
- ❖ *How can sustainability issues be integrated into the holistic management of a destination?*
 - *What are the roles of NTOs in this regard?*

Secondly, a comprehensive classification of the sustainable tourism initiatives carried out by the National Tourism Organizations (NTOs) is presented and interpreted:

- ❖ *In which terms can sustainable tourism be considered part of the overall strategy and operational plan of the NTOs?*
 - *What formal sustainable programs have been formulated?*
 - *How and to which extent is sustainability inserted into the destination branding and marketing strategy of the NTOs?*
- ❖ *What concrete initiatives have been implemented according to the formal planning framework of the NTOs?*

- *How do the NTOs support initiatives aimed at the sustainable development of destinations?*
- ❖ *How can the NTOs' sustainable tourism programs and initiatives be classified?*
 - *What NTO-specific aspects can be considered relevant?*

Thirdly, the effective implementation and success of the NTOs' sustainable tourism practices are discussed:

- ❖ *What key performance indicators of sustainability do the NTOs consider when assessing the effective implementation of sustainable tourism practices?*
- ❖ *What common challenges are the NTOs facing when putting forward sustainable tourism initiatives?*

A combination of both quantitative and qualitative research assisted in answering the research questions. The quantitative stage consisted of a survey questionnaire addressed to ETC member NTOs, while the qualitative phase consisted of in-depth semi-structured interviews, conducted with a subset of survey respondents. A literary review was compiled through preliminary desk research.

Summary of questionnaire results key findings

- ❖ NTOs demonstrated a positive attitude and openness towards the concept of sustainable tourism: 97% of the participants agreed that sustainable tourism represents a key factor of destination competitiveness.
- ❖ The awareness and image of a destination amongst potential tourists was understood to be the factor contributing most to the NTOs' destination competitiveness, together with the destination's safety and security.
- ❖ For a minor subset of NTOs (7%), strategic marketing was entirely based on sustainability issues and their destination brand values revolved around sustainability principles. In addition, for those NTOs that had defined a destination management plan (more than half of the total), sustainability was highly prioritized.
- ❖ The NTOs' primary role in the integration of sustainability issues in the strategic planning of their destinations was not only to provide information, but also to carry out

strategic marketing initiatives and to develop sustainability-driven formal programs or sustainability-related tourism products.

- ❖ More than one third of the total NTOs participating in the survey had developed formal sustainable tourism programs within the period 2011-2016.
- ❖ The special attention paid by the NTOs to develop tourism in an environmentally responsible manner was further underlined by the support provided to existing and new eco-labelling schemes, and to minimum sustainable standards at national and international levels for tourism attractions and suppliers (e.g. Green Key).
- ❖ Almost one third of NTOs participated in EU-funded projects promoting best practices in sustainable tourism (e.g. EDEN initiative).
- ❖ The development and promotion of special interest sustainability products was common to almost half of the NTOs.
- ❖ Only a small number of organizations (11%) had not implemented any type of sustainable tourism or sustainability related initiative within the period 2011-2016.
- ❖ About half of the organizations also assigned responsibilities related to sustainable tourism development to their staff members and dedicated between 1% and 15% of their organization's budget to implementing sustainable tourism initiatives.
- ❖ Almost all NTOs (89%) collaborated closely with external stakeholders to develop and promote the initiatives in question, i.e. sustainability strategies and programs, eco-labelling schemes, as well as consulting and informational activities on sustainable tourism.
- ❖ In relation to the assessment of the NTO's overall performance, the successful strengthening of the destination brand was the primary key performance indicator observed by the average NTOs; together with incremental and additional visitor spend.
- ❖ More than a third of the NTOs measured the effective implementation of their sustainable tourism programs and initiatives.
- ❖ The current performance of the NTOs with respect to sustainable tourism also depended on the challenges encountered by the organizations: the lack of funding was the primary challenging factor.
- ❖ Despite the common challenges identified, the vast majority of NTOs believed that their destination will become more competitive thanks to the implementation of sustainable

tourism practices and, in view of this, expressed their likelihood to adopt sustainable tourism practices in the near future (2016-2019).

Conclusions and recommendations

Even though the concept of sustainable tourism has existed since the early 1990s, and several studies and scientific articles have been published on the subject, a unique definition has not yet been established. The literature review indicated a recent transition, in academic and research contexts, from theoretical conceptualizations towards more practically-oriented research, reconnecting with the triple bottom line of sustainability.

The majority of European NTOs agreed that sustainable tourism does not refer to any specific tourism product. It rather concerns any form of tourism that seeks to engage with sustainability principles in environmental, socio-cultural and economic terms, and to contribute to the sustainable development of the destination.

Most of the tourism products and initiatives mentioned by the NTOs were closely related to sustainability, even if not labelled as 'sustainable tourism'. Next to the environmental dimension, the socio-cultural dimension was also considered, as a sizeable minority of NTOs aim to promote emerging zones and minor destinations to unlock and develop their tourism potential. The final goal is not only to support local quality of life and growth, but also to reduce the seasonality of tourism that major destinations are experiencing.

The conclusion that emerged from the survey questionnaire and interview results was a wide acceptance of sustainable tourism development as a driver of a destination's long-term competitiveness. Sustainability principles are encompassed in NTOs planning and management processes not only because of an 'environmental need', but also because of a strategic choice – to meet the demand of tourists and remain competitive in a growing and highly competitive tourist market. Sustainability was highly prioritized in the strategic planning, destination management plans and/or operational frameworks of the average NTO – priorities were established through several channels, such as multi-year national tourism strategic plans and the establishment of partnerships with external stakeholders.

The NTOs face several challenges when trying to implement sustainable tourism practices. In particular, the interviewees stressed the difficulty in obtaining the full support of the tourism industry and establishing effective partnerships among tourism stakeholders. Effective and long-lasting cooperation is a key factor to foster sustainable tourism initiatives with the common goal of enhancing a destination's competitiveness.

Despite the challenges encountered, the majority of NTOs expressed a strong willingness to implement additional sustainable tourism practices in the near future. This suggests a genuine interest in sustainable tourism and a commitment to deepen their present actions, in line with the positive attitude of the NTOs demonstrated throughout the survey.

Today's globalized market, characterized by rapidly increasing numbers of tourist arrivals, emerging destinations and a volatile tourism demand, forces NTOs and destination managers in general to visualize tourism development not only from a marketing perspective. The question must be addressed based on how destination competitiveness can be sustained over time. This does not only imply the protection of the destination's environment on which tourism development relies. It also means that tourism benefits should be spread among all the involved stakeholders, including host communities, which today, more than ever before, are part of the tourist offer and will contribute directly to its success.

The comparative advantage of European countries as tourist destinations also relies on their unique tourism assets, which motivates their different approaches to sustainable tourism. Practical guidelines for NTOs may facilitate further action for sustainable tourism. Organizations could participate in a common roundtable to formulate recommendations, tailored to individual circumstances but also taking into account common challenges.

NTOs play a fundamental role in raising awareness of the contribution that tourism can make to inclusive growth and development. The active involvement of NTOs in the United Nation's International Year of Sustainable Tourism for Development 2017 may become a powerful platform to launch future partnerships and strengthen existing ones, foster knowledge sharing and define best practices in sustainable tourism development among stakeholders within and outside the tourism sector.

Contributors



Silvia Fontolan is a recent graduate of the international Master's degree course in Planning and Management of Tourism Systems at the University of Bergamo (Bergamo, Italy). Thanks to her internship at the German National Tourist Board in Milan (Italy), Silvia directly experienced the functioning and modus operandi of an NTO from the inside. Silvia's main areas of interest range from the marketing and management of destinations at national level, to the valorisation of cultural tourism and the promotion of responsible tourism activities on a small and large scale.

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