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Stakeholders in a Tourist Destination – Matrix of Possible Relationships Towards Sustainability

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Abstract

Given that the fragile balance of sustainability is affected by several actors whose interests need to be harmonized, different forms of association among them are one of the mechanisms for achieving sustainability. A lot of understanding, research, and co-operative effort are required to create and sustain various forms of collaboration of tourism stakeholders. The role of collaboration in tourism destinations has been widely acknowledged, however it is still one of the key stumbling stones of sustainable tourism development in practice. The focus of this paper will be on two-way destination stakeholders' collaborations, presented systematically in a matrix of typical relationships, representing its theoretical contribution. A panel of experts from the academia, practice and public sector developed the matrix of relationships with the scope of spreading different forms of collaboration between stakeholders aimed at jointly improving the right balance needed for sustainable development in tourism.

Keywords: sustainable tourism, collaboration, stakeholders.

1. Introduction

Tourism is a complex phenomenon, since it aggregates different, often contradictory interests of stakeholders. There are various effects of tourism - from positive to negative. Numerous examples of tourist destinations, which were thrilled by the crowds of tourists, had given priority to economic interests and the devastating effects on the environment became important only when ecological problems escalated.

The problem is that the development of tourism is perceived as a goal in itself with an emphasis on economic benefits, while it should actually be a means of achieving overall prosperity of the local community and the environment in which it lives. This paradigm is the foundation of the concept of sustainable development.

Sustainability is a must for all tourism destination. Tourism development is moving towards the position of reciprocally useful partnership and balanced development (Magaš, 2010: 1046) whereas the right balance among various stakeholders has to be re-established with each change over and over again. This calls for an adequate management of relationships formed among key players who are in control of the major destination resources and power.

It is well known the competitive position of tourist destinations depend on the choice and the quality of management of destination resources (Armenski et al., 2012). At the end it all comes down to people in control of these resources and their interactions. Therefore, the suggested matrix of key relationships formed by crossing key stakeholders between them, aims at understanding better the typical forms of two-way collaborations, as a first step towards their successful implementation.

- There are four key concepts impacting sustainable tourism development: responsible governance, CSR, responsible tourists and responsible citizenship.
- Environmental preservation is the key goal of sustainability: without it, society cannot exist, thus neither industry.

This paper is composed of four parts. It starts with a theoretical review on the topics of sustainable management and collaboration of stakeholders in the destination. The third part provides an overview of possible relationships formed between two stakeholders based on expert assessment, whose methodology is presented in part two. The fourth and last section summarizes concluding remarks.

2. Theoretical review

2.1 *Sustainable tourism*

Sustainability is a sought-for concept of development with possibility of universal application, although it differs in its practical implementation (WTO, 1996; WTO, 2004; ETIS, 2014, etc.).

World's Commission of Environment and Development definition, coined in 1987 is the most frequently cited one: "Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs".

It relies on three main pillars called triple bottom line or 3P: economic (Profit), social (People) and environmental (Planet), although the accent is strongly on the latter two. From the tourist perspective, sustainability can be summarised into "respect nature, culture and your hosts" (Rafai, 2017).

An excellent representation of sustainability is given by ranking the three key elements (Placemakers, undated):

(1) Environment,

(2) Society,

(3) Economy.

Namely, the three main pillars of sustainability are classified according their importance since there cannot be any economy without society nor society can exist without a preserved environment. Although sustainability is a well studied topic (e.g. Garcia-Rossel, 2014; Fisher & Rucki, 2016; Brandi, 2016; Goodwin, 2017; Maruf Hossain, 2018, etc.), the practical implementation is challenging (Hunter, 1997; Sharpley, 2000). One of the first such tasks lies in the preservation of non-renewable resources for the next generations, which is the key concern environmental sustainability (UN, 2005).

Tourism might affect all entities of sustainability; however, it also depends heavily on the landscape and culture of tourist destinations (Galant, Slivar & Periša, 2016). Sustainable tourism "ensures that development brings a positive experience for its actors – local people, tourism companies and the tourists themselves…" (Edgell, 2006) therefore, sustainability in

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tourism stresses the continuity of the process of adaption and reorganization towards achieving the aimed balance between the three pillars of sustainability (Hall, 2009). Sustainable tourism strives to affect minimally the environment and local culture, while helping to generate income, employment, and the conservation of local ecosystems (Institute for Tourism of the Republic of Croatia, 2014).

Antonyms are used to explain the differences between sustainable and non-sustainable tourism in the following table.

Table 1. Selected differences among sustainable and non-sustainable development

Sustainable development	Unsustainable development
Slow development	Quick development
Controlled development	Uncontrolled development
Long term perspective	Short term revenue
Quality – based development	Quantity – based development
Local control / cooperation	Control without local community
Planned development	Unplanned development
Well developed concepts	Small projects
Local human resources	Imported workforce
Traditional architecture	Non authentic architecture

Source: Koncept održivog turizma u RH, Studija o konceptu održivog turizma – Hrvatska i svijet, Roland Berger Strategy Consultants, Zagreb, 2008.

The basic metrics (however not widely used) for measuring sustainability of tourist destinations is the carrying capacity which determines the maximum number of visitors that can visit a destination without any negative environmental and socio-cultural consequences (O'Reily, 1986: 254-258). It can be (Cooper et al., 1996: 80):

- physical (e.g. 4-6sqm are deemed appropriate for a beach),

- psychological (personal believe of crowd or not),

- biological (the amount of land available),

- sociological (the level of development that is acceptable to the local population).

Nevertheless of thirty years of study, the implementation of sustainability in practice is still insufficient, thus more research is needed (Oyola et al., 2012; Mihalić, 2016).

2.2 *Stakeholders in a tourist destination*

Stakeholders refer to any physical persons or any kind of organization affecting or being affected by a business (Freeman (1984), which is applicable to tourism. Alike the tourism product - heterogeneous and complex (Middleton & Clarke, 2001; Ferri & Aillo, 2017) – also tourism itself reflects the same characteristics. It is comprised of many businesses, predominantly SMES (Scott, Parfitt & Laws, 2000) thus involving many players just at the offer side, among others. Various stakeholders have different goals and interests and with their activities, they affect sustainability (Scott, Parfitt & Laws, 2000; Krce Miočić, Razović & Klarin, 2016). Many authors approached the task to classify stakeholders in the tourist destination at different levels of depth. Cooper, Fletcher, Gilbert et al. (2005) list locals, tourists, tourism industry, public sector and others as the key stakeholders in tourism, while the following table.

Table 2. Key stakeholders in tourism and their roles

	INTERESTED STAKEHOLDERS	THE ROLE OF INTERESTED STAKEHOLDERS
PRIVATE SECTOR	tourism offer holders (tourism suppliers)	They are main employers and they affect the complete tourism value chain.
	intermediaries	They influence market accessibility through setting conditions to tourism offer holders (tourism suppliers) and tourism destinations.
	transport business	They influence the market and financial sustainability.
	private sector (excluding tourism businesses)	They assure revenues and prosperity.
	professional associations	They lead and direct sectoral developmental activities.
PUBLIC SECTOR	public (government) sector	They define the direction and influence sustainability through public politics, plans and financial support.
	local and regional government	They influence the sustainability of tourism through planning on the local and regional level (lower level plans), they affect the infrastructure development and support the local economic development.
	tourism organizations	Directly related to tourism, primarily responsible for stimulating market demand through destination marketing.
CIVIL SECTOR	NGOs	They influence the sustainable tourism development and facilitate the cooperation of interested stakeholders.
	vocational education	They help in tourism market research and in strengthening competences in tourism.
LOCAL COMMUNITY AND CUSTOMERS	local community	Tourism employees and other sub-creators of hospitable tourism destinations.
	tourists	By making their decisions, they influence the sustainability and profitability of tourism products.

Source (modified according to): Duanesrt (2014): Responsible tourism product development https://www.slideshare.net/duanesrt/responsible-tourism-product-development

There is no consensus about the ideal methodology to approach this task (Krce Miočić, Razović & Klarin, 2016) therefore nor a universally accepted classification of stakeholders. Their identification is crucial for the adequate managing of the tourist destination, especially in terms of synergistic activities, which affect heavily the sustainability agenda (Maiden, 2008; Fathmath, 2015).

So, who should be the dominant stakeholder? The interests of the local community should be a priority among other stakeholders, however, "only to a certain point whereas their aspirations don't impact negatively other sustainability elements" (Galant, Slivar & Periša, 2016). Nature has no direct stakeholder making it thus difficult to be adequately represented, which brings us back to stress the priority of its preservation.

Sustainable or vice versa unsustainable tourism is the consequence of social relationships and adequate coordination among all key players (Gergen, in Garcia-Rosell, 2014), therefore it is important to explore more deeply possible levels of interactions in order to maximally benefit from collaborations.

Some of the possible forms of two-way collaboration are given in the next chapter framed in a matrix.

3. Methodology

The research was compiled thank to a selection of six experts in tourism. In order to develop the announced matrix, the authors have asked tourism experts to point out the key interactions between two players. Six experts in sustainable tourism from Croatia (two from the academia, two practitioners and two from the public sector involved in tourism) were purposely selected and asked to help out in order to compile their points of view. They were given the above presented matrix, however completely empty. Their task was to answer how one stakeholder interacts with others. Their collective results are presented in Table 1. The methods of analyses and synthesis during the formulation of the below table were applied.

The research was conducted in March 2018 in written form and the responses were sent by e-mail. The task was explained by telephone or in person.

4. Research results: matrix of possible relationships between stakeholders aimed at reaching sustainability

The results of research are presented in Table 3.

Table 3. Matrix of possible relationships between tourist destination stakeholders

	PUBLIC SECTOR	PRIVATE SECTOR	TOURISTS	LOCALS	Sustainability is achieved through:
PUBLIC SECTOR	**G2G** - Governance - Business (rarely)	**G2B** - Governance - Support - Education - Business (rarely)	**G2T** - Governance - Support - Education…	**G2L** - Governance - Support - Education…	➔ *Responsible governance*
PRIVATE SECTOR	**B2G** - Business (e.g. classic B2G, Public-private partnership) - Governance (Participation in formulating tourism strategies)	**B2B** - Classic B2B - Partnership - Networking - Integration	**B2T** - Classic B2C (customers are tourists) - Customer relations - Co-creation of tourism products	**B2L** - Classic B2C (customers are locals) - Employment - Community-based interactions - Pro-poor tourism - Peer to peer - CRS initiatives	➔ *Corporate social responsibility*
TOURISTS	**T2G** - Users of different services (police, public health care, tourist information etc.)	**T2B** - Classic B2C (customers are tourists)	**T2T** - P2P (peers are tourists) - Co-existence	**T2L** - Business/P2P - VFR (tourists are visiting relatives and friends)	➔ *Responsible tourists*

	- Co-valorisation - co-interpretation - Co-creating tourism strategies				
LOCALS	**L2G** C2G (Citizens to Government) - Participation in formulating tourism strategies - Employees	**L2B** - Classic B2C (customers are locals) - Employ-ment - Community-based interactions - Pro-poor tourism - Peer to peer	**L2T** - Business / P2P (Peer to Peer) - Co-existence	**L2L** - Business / P2P (peer to Peer) - VFR (Visiting relatives and friends) - Co-existence	➔ *Responsible citizenship*

Source: authors' research and according to Slivar, Floričić and Grgurić, 2016.

The goal of this qualitative study was to classify the various forms of stakeholder collaboration at the destination level which are related to sustainable tourism.

Based on the research, 16 mutual interactions between stakeholders in tourism were identified. Either way read – horizontally or vertically - it is possible to conclude that the various ways in which individual stakeholders influence each other are in fact summarized into well-known concepts. Namely, the interaction of service providers in tourism falls into the concept of corporate and social responsibility. The collaboration of the local population and public sector but also other stakeholders are transposed into the concept of responsible citizenship. The overall interaction of tourists in accordance with sustainability is reflected into the concept of responsible tourists (see more in: Slivar, Floričić & Grgurić, 2017).

It is however evident, that there are no known terms to identify some relationships especially in the case of tourists and the public sector. This gap represents a call to action.

Based on the proposed interactions, the concept of sustainability in a tourism destination is decomposed into the following key concepts:

- responsible governance,

- corporate and social responsibility (CSR),

- responsible tourists,

- responsible citizenship.

Each of these concepts contains a variation of the world "responsibility" which emphases the role of each and every stakeholder in their interactions with other stakeholders. The conclusion of this expert assessment is very similar to the presented model by Slivar, Floričić and Grgurić (2017), although based on VICE model and stakeholder positive influences and outcomes.

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5. Discussion and conclusion

The presented matrix of key relationships was synthetized in a model of sustainable development with the following key elements: responsible governance, CSR, responsible tourists and responsible citizenship. This model adds responsible governance to remaining the three concepts in common with the previous model of Slivar, Fioričić and Grgurić (2017) instead of the preserved environment. The latter one can't namely be directly represented by just one stakeholder and is thus the key goal of sustainability.

The limitations of the presented model derive from a bi-dimensional understanding of co-operation between stakeholders. Another upgrade of the presented forms of cooperation can be supplemented by the extension of expert opinions outside of Croatia, in order to extend the possible types of relationships formed.

The presented matrix emphasizes there are no negligible interactions if the paradigm of sustainable tourism development aims to be reached. Each stakeholder must play its part in maintaining a destination's sustainability agenda. The matrix of typical interactions could be the base for further study in order to achieve synergistic effects of multiple forms of collaboration.

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