

Integrating Sustainability into Tour Operator business: an innovative approach in sustainable tourism

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Submitted: 12th February 2010; Resubmitted: 20th March 2010. Accepted: 6th April 2010 ISSN: 1997-2520

Abstract

Tour operators are the key elements in the tourism system; they are the link between the tourist and the destination. As a result, tour operators are in many ways the key to achieving more sustainable forms of tourism. This study aims at examining the actual experience of tour operators who adopted sustainability practices in their business with the purposes of: 1) Identifying the priority implementation areas; 2) Determining the most important motivators which encourage tour operators to adopt more responsible strategies; 3) Exploring the outcomes and benefits as well as the major obstacles and barriers that deter the integration of sustainability strategies in the tour operator business. For this study 32 tour operators have been investigated. In addition, in-depth interviews with stakeholders from destina-

tions were conducted to reflect their experience. Results revealed that "Supply Chain Management" has the priority for tour operators during the implementation of sustainable practices. "Building Positive Public Image" is the main reason for implementing sustainability integration in business. The results also outline many benefits for both tour operators and destinations. However, both are encountering a number of barriers that hinder them from applying sustainable principles in the tour operator business on a large scale with more efficiency.

Key words:

Supply Management; CSR ; Sustainable Tourism; Tour Operator.

Introduction

■ Tourism is a rapidly growing phenomenon and has become one of the largest industries in the world (Inskeep, 1999; Harsel, 1994). Although tourism contributes to employment and economic development (Tapper & Font, 2005; United Nations, 2001; Rebollo & Baidal, 2003; Wijk & Persoon, 2006), it also leads to negative environmental and social impacts such as: resource consumption, pollution, waste generation and disruption or destruction of local cultures (Sigala, 2008; Wijk & Persoon, 2006).

According to studies, mass tourism activities are considered responsible for generating the most severe negative impacts of tourism; consequently, large-scale tourism, by its very nature, is unable to fulfill the requirements of sustainability (Mason, 2003). In contrast, small-scale activities (nature tourism, alternative tourism or eco-tourism) are seen as

beneficial and more responsible; thus, they are able to incorporate sustainability principles (Mowforth & Munt, 2003; Sigala, 2008). Taking into consideration that mass tourism is a reality of our time that will not disappear but continue to expand, the greatest challenge of sustainable tourism is to find ways of incorporating strong preventative approaches in all tourism activities. (Swarbrooke, 1999)

To address the negative impact of tourism, the industry needs new tools and methods that can prevent harms while developing and managing tourism activities in ways that contribute to sustainable development (Tepelus, 2005). Mason (2003) reported that tour operators are an example of a sector that has a reputation for causing negative impacts and creating problems. However, tour operators – particularly large-scale ones with great economic power – are in an ideal position for

facilitating the dissemination of these attitudes into the entire tourism industry (Tepelus, 2005; Wijk & Persoon, 2006; Font, Tapper & Kornilaki, 2008).

Sigala (2008) argued that the tour operator is one of the most important connections that play significant roles in changing behaviors and attitudes towards more responsible forms of tourism. This role may appear in: (a) great influence on the volume and direction of tourism flows; (b) integrating and affecting attitudes and practices of numerous tourism suppliers and stakeholders; and (c) development of destination and local communities.

Moreover, in recent years, public awareness of the environmental impact and the consequences of unsustainable exploitation of natural resources has increased dramatically. In terms of tourism, this awareness is expressed in the growing demand for more environmentally and culturally sensitive holiday experiences. Many tourists now expect sustainability consideration to be integrated into their holiday; i.e. tour operators must operate sustainability to remain competitive (Font & Cochrane, 2005a).

Although there are just a few tour operators in Europe that take responsibility for sustainability and protecting the environmental and cultural resources (Sigala, 2008), it has been noted recently that the attitude of

tour operators towards the environment in the tourism destinations has been slowly changing (Budeanu, 2005).

The purpose of research was to acquire a better understanding of how tour operators – being the key player in the industry – could strategically help their destination move towards sustainability. This study aims at examining the actual experience of tour operators who adopted sustainability practices in their business with the purposes of:

- 1) Identifying the priority implementation areas;
- 2) Determining the most important motivators which encourage tour operators to adopt more responsible strategies;
- 3) Exploring the outcomes and benefits as well as the major obstacles and barriers that deter the integration of sustainability strategies in the tour operator business.

This paper starts with reviewing the literature of the steps taken towards integrating sustainability into the tour operator business; then moves on to the research framework and methodology as tour operators with past experience as well as stakeholders from destinations are invited to participate in the investigation. Subsequently, we analyze and discuss the results of the study and present the conclusion.

Literature review

Principles of Sustainability

■ The main goal of sustainable tourism is to develop and manage tourism-related activities and services in a way that conserves the character of the place being visited, benefits local communities and preserves the resources and attractions that make tourism destinations desirable places to visit and live in (Tour Operator Initiative (TOI), 2005; United Nations environment program (UNEP), 2002). The idea of sustainability has several dimensions and principles; however, the most important dimensions are environmental, social and cultural (Mowforth & Munt, 2003; Font & Cochrane, 2005a).

Mowforth and Munt (2003) made a distinction between the environmental, social, cultural and economic sustainability dimensions as follows:

1- Environmental Sustainability: It means the need to avoid or minimize the environmental impact of tourist activities. The calculation of the carrying capacity is an important method for assessing the environmental impact and sustainability.

2- Social Sustainability: It refers to the ability of

community to absorb inputs (such as extra people for short or long periods of time) and to continue functioning either without the creation of social disharmony or by adopting useful functions and relationships (Mowforth & Munt, 2003; Ritchie & Crouch, 2003; Vanhove, 2005).

3- Cultural Sustainability: It refers to the ability of people to retain or adopt the elements of their culture which distinguish them from other people (Vanhove, 2005).

4- Economic Sustainability: It refers to the level of economic gain from activities which are sufficient to cover the costs of any special measures taken to cater the tourists and mitigate the effects of tourist presence or to offer an income appropriate to the inconvenience caused to the local community visited without violating any of the other conditions (Mowforth & Munt, 2003). Vanhove (2005) argued that economic sustainability must aim at meeting the economic needs and aspirations of residents on the long term. On the other hand, Ritchie and Crouche (2003) added other considerations to determining economic sustainability such as: tourism should benefit the many, not just the few,

and the utilization of local labor should be encouraged in addition to any efforts that would enhance job

security and improve economic sustainability.

Tour operator & sustainability concept

■ Mowforth and Munt (2003) explained that the growth of the mass tourism phenomenon has led to a range of problems, which became increasingly evident and well-publicized over recent years. They include environmental, social and cultural degradation. In contrast, small-scale activities are seen as beneficial and responsible.

According to Budeanu (2005) and the Tour Operator Initiatives (2003), most of the impact generated by tourism activities results almost simultaneously with their production and consumption; the fact which divided the responsibility for the generation of impact to the three main groups of actors involved: producers, consumers and the operator being the intermediary who links them.

In the past, tour operators have sometimes neglected their environmental and social responsibilities, arguing that they are simply intermediaries between customers and service providers, and that destination impacts are the responsibility of the sub-contracted suppliers or the local authorities. While these stakeholders clearly share

the responsibility, most tour operators now understand that it is precisely their responsibility because they are intermediaries, working closely with both tourists and tourism service suppliers (Budeanu, 2005; Swarbrooke, 1999; Cochrane, 2006; Font & Cochrane, 2005a).

While many studies ensure that tour operators are in many ways the key to achieving more sustainable forms of tourism (Swarbrooke, 1999; Frey & George, 2009; Wijk & Persoon, 2006). Abraxas (2007) argues that tour operators have the responsibility to preserve the local cultural heritage and environment, but the part of their great profit spent for this is not exactly known.

Tour operators recognize their responsibility for the negative impacts of tourism, as they are the ones who determine where many tourists go and which facilities they use (TOI, 2002; Budeanu, 2005). Today a large number of tour operators have taken a more proactive attitude and have started to develop environmental policies and plans. The following table shows the difference between large mass tour operators and small specialists:

Table 1: Perceived Differences between Large Mass Market Tour Operators and Small Specialists

	Large-scale Mass Market Operators	Small-scale Specialist Operators
- Environmental Impact	- High	- Low
- Economic Impact	- Low per head expenditure - Benefits relatively few enterprises - High leakage from community	- High per head expenditure - Benefits spread quite widely through the community - Low leakage from community
- Socio-cultural Impact	- High	- Low
- Host Community Relations	- Formal - Institutionalized	- Informal - Personal
- Commitment to Destination	- Low - Generally insensitive	- High - Generally sensitive
- Type of Tourist	- Disinterested in destination specifically	- Interested in destination specifically

- Source: (Swarbrooke, 1999)

As a result, many international organizations, industry associations and governmental bodies started to investigate the role of tour operators in the industry and screen their current efforts to reduce the impacts of their activities. In response, tour operators took several initiatives to evaluate impacts and improve performance (Budeanu, 2005).

One of the most important tour operator sustainable practices is the Corporate Social Responsibility (CSR). Wijk and Persoon (2006:381) defined CSR as “the private firms’ responsibility for the sustainability of the financial, environmental and social dimensions of firms”. Davidson and Rogers (2006: 257) define CRS as “achieving commercial success in ways that honor ethical values and respect people, communities and the natural environment”. For tour operators, CSR means adopting sustainability business practices that positively impact both the country where the tour operator is based as well as the destinations visited (Font & Cochrane, 2005a).

Despite these efforts, a few international initiatives to improve the sustainability of tourism sector have

been initiated by non-governmental organizations and tour operators (Wijk & Persoon, 2006). The most prominent is the Tour Operator Initiative (TOI) which was developed with the support of the United Nations Environment Program (UNEP), the United Nations Educational, Scientific and Cultural Organization (UNESCO) and the World Tourism Organization (WTO) in 2000 (Holden, 2008).

The purpose of this initiative is to encourage tour operators worldwide to make a corporate commitment to sustainable development and to make considerations for the environmental, cultural and social impacts being an integral part of the design and operation of their tours and the conduct of their business activities (WTTC, et al., 2002; Fredrick, Garstea & Monforte, 2008; TOI, 2007a).

But the main question is: How do tour operators design and manage their packages and create awareness among their customers towards the natural, social and cultural environment they visit in order to match with sustainability principles?

The role of tour operators in the package tours industry

■ Generally speaking, the activities of tour operators consist of buying tourism services in bulk from a direct provider (e.g. hotel, airline) and assembling them in attractive holiday packages which are sold directly to the customer or travel agent (Budeanu, 2005; Budeanu, 2009).

According to Fredericks, et al. (2008), tour operators are key elements in deciding the volume of tourists reaching destination and they also control the tourist choice of products and create demand for a destination through their representation of the destination package. Mason (2003) argued that large tour operators have the reputation for not staying loyal to specific destinations. Hence, when a resort becomes no longer popular, the tour operator shifts allegiance to other locations. Tour operators can have significant impact on the sustainability of tourist destinations through the design of their holiday product (Miller & Twining-Ward, 2005).

Under the principles of sustainable development, tour operators may often have only indirect control of the

environmental and social impacts of their holidays. Despite this, consumers expect the tour operating companies to assure that those holidays meet certain standards such as safeguard environmental and social sustainability, in addition to offering quality and value for money (TOI & Association of British Travel Agents-ABTA, 2002).

The most important role of tour operators is the responsible design of tour packages which can reduce the chance of negative socio-cultural impact as a result of the inappropriate behavior of the tourist unhealthy interaction with local community. Therefore, the design and management of sustainable holiday packages take a high consideration in the tour operator business. (Font & Cochrane, 2005a)

Budeanu (2009) and ABTA and TOI (2002) added that tour operators should work closely with suppliers to improve sustainability performance in all components of the holiday package.

Importance of sustainability for tour operators

■ From a financial standpoint, improved sustainability can lower costs through increased operating efficiency and reduced waste generation. Sustainability practices can also lead to increased revenue and shareholder value by generating more repeat business and attracting new business from customers who value good environmental and social performance (ABTA & TOI, 2002).

A strong positive reputation as a company that cares about sustainability issues, coupled with improvements to the quality of the tourism experience provided to clients, can result in increased customer satisfaction and loyalty, strengthened brand value, and enhanced publicity and marketing opportunities (TOI, 2007a; Font & Cochrane, 2005a; Thompson, 2008; Kusters, 2009).

TOI (2007a) added that good performance and a high-quality sustainable product can also help a tour operator reduce the risk of conflict or problems with governments, staff and local communities, and improve its status as a respected partner in destinations. This may mean enhanced access to key business resources such as capital, ability to develop products to meet growing market demand, improved relationships with governments, and a motivated and loyal staff.

Main areas of tour operator contribution

Tour operators are moving towards sustainable tourism by committing themselves to the concepts of sustainable development as the core of their business activity and working together through common activities to promote and disseminate methods and practices compatible with sustainable development (TOI, 2005; Mason, 2003).

There are many areas where tour operators can integrate sustainability practices. The key operating areas are (Carbone, 2004; TOI, 2007b):

1. Internal Management
2. Product Development
3. Supply Chain Management
4. Customer Relations
5. Co-operation with Destination

The first four categories cover actions and decisions that tour operators make in preparation for the holiday package. Through these actions and decisions, tour operators have either a direct impact on sustainability (e.g. managing office supplies) or a significant influence on sustainability (e.g. through the supply chain). The fifth area covers efforts to address product impact at the destination (TOI & Global Reporting Initiative-GRI, 2002).

Internal management

■ This includes all the operations and activities that take place at the tour operator headquarters and in its country offices. The day-to-day administrative and operational activities within a tour operator office have the potential to cause a wide range of environmental impact. Implementing practices to reduce consumption of paper, energy, water and other office supplies and to dispose of waste in a sustainable manner can directly reduce the impact of operations, lead to cost saving as a result of more efficient resource use, and help staff to focus on the importance of environmental efficiency. Employment issues, including labor rights, human

rights and staff training, are another important part of the responsible Internal Management. Implementing good labor practices and respecting human rights will increase staff morale and allow for greater retention of high-quality staff, while improved working conditions will contribute to high-quality service for clients. In addition, staff training on sustainability issues and how they can make a difference is the key to ensuring employee commitment to sustainability strategies and improving performance throughout the company (Font & Cochrane, 2005a).

Product development & management

■ According to Miller and Twining-Ward (2005), this area includes actions related to the tour operator choice of the destination and selecting holiday package components that minimize environmental, economic and social impacts. Font and Cochrane (2005a) added that it is important for responsible tour operators to choose destinations that have good environmental management systems. Tour operators should also favor destinations with good quality local labor.

Font and Cochrane (2005a) explain the product management as the design and management of sustainable

holiday packages including the assessment of various components of a tour, from accommodation to transport services to excursions, in order to determine their potential environmental, social and economic impacts, minimize negative impacts and maximize positive benefits to the environment and local communities and destination economy. They added that choosing local suppliers and locally-owned services can also help ensure that a significant portion of the tour revenues stays in the destination and benefits local people, rather than being lost to leakages.

Supply chain management

■ Zhang, Song and Huang (2009:345) defined the Tourism Supply Chain as “a network of tourism

organizations engaged in different activities ranging from the supply side to the distribution and marketing

of the final tourism product; it involves a wide range of participants in both the private and public sectors”.

Most elements of a holiday package are delivered by suppliers who are sub-contracted by the tour operator. Thus, the selection of service providers and contracting with them is an important opportunity to influence the sustainability of the products. The main goal of Supply Chain Management is to work on product and service stewardship across the entire life cycle of the holiday package to design packages with lower environmental and social impacts (Budeanu, 2009; Font et al., 2008; Miller & Twining-Ward, 2005).

TOI (2007b) suggested that a tour operator can support

its suppliers in their efforts to be more sustainable by raising their awareness on sustainability issues and providing feedback on performance so that they can learn where and how to make improvements, in addition to offering technical support for sustainability actions and finally creating incentives for high performance and using contractual procedures to enforce requirement.

While TOI (2007a) has developed a methodology for tour operators seeking to integrate sustainability criteria into their choice of service suppliers, the key component of this methodology included establishing a sustainable supply chain policy and management, supporting suppliers in reaching sustainability goals and integrating sustainability criteria into suppliers' contracts.

Customer relations

■ According to Font and Cochrane (2005a) tourists are often unaware of the impacts they may be causing during their holidays. This may be particularly the case since tourists are, by definition, seeking an escape from the concerns and responsibilities of their everyday lives. Tourists also may not see the impact they are causing, because most of the negative impacts of tourism are the result of the accumulation of many small impacts over time.

Tour operators are ideally positioned to support and influence responsible actions by their customers. They can promote appropriate behavior in pre-departure information through a fair portrayal of the destination

and local cultures and can continue raising awareness of sustainability issues throughout the tour and excursion. In any post, holiday information sustainability messages should encourage customers to behave in a more responsible way. A tour operator can reinforce its messages by inviting feedback on the sustainability issue and channeling this feedback to suppliers, destination representatives and local policymakers.

Finally, in addition to expecting appropriate behavior from customers, tour operators have a responsibility to protect their clients' privacy, health and safety. This is an important component of ensuring the overall sustainability of customer relations.

Co-operation with destinations

■ According to the Tour Operators Initiative (2005), this area includes efforts made by tour operators to influence the sustainability of destinations, safeguard a destination culture, economy and environment, and increase benefits for the local community.

Tour operators can achieve this by establishing and strengthening links and developing partnerships with stakeholders in destination, private sector, civil society, local authorities and non-governmental organizations in the destination.

In addition to the above area, it is recommended to

ensure that activities targeted towards sustainability are comprehensive, credible and leading to long-term positive change, and to monitoring and reporting on performance (Carbone, 2004).

It also includes all activities and decisions related to destinations that tour operators make beyond the production and delivery of their holiday packages. This mainly includes efforts made by tour operators to engage in dialogue with destination operators about the impacts of tour packages and philanthropic activities (WTO, 2004).

Good practices of tour operator sustainability performance

■ Since the launch of the Tour Operators Initiative in 2000, the TOI Secretariat has been collecting, from the individual members, good examples of how a tour operator can effectively integrate the principles

of sustainability in various areas of operations (TOI, 2003). Table 2 concludes a number of examples for good practices that are implemented by large tour operators:

Table 2: Examples of Good Practices of Integrating Sustainability Principles into Tour Operator Activities

Operating Areas	Tour Operator	Good Practice Approach	Benefits from the Tour Operator Perspective
Internal Management	Aurinkomatkat-Suntours	- Staff training on sustainable development	- Staff now taking their own initiatives to improve sustainability performance in office and in destination
	Dynamic Tours	- Responsible tourism guidelines for tour guides	- Promote clean-up operations in visited areas
	TUI Nederland	- Station Central - The Paperless Experience	- Significant reduction in paper waste
Product Management & Development	British Airways Holiday	- Life cycle assessment of a key destination - Offsetting CO2 emission from air travel	- Environmental improvement and better quality holidays for visitors - Number of environmental and social benefits
	Discovery Initiatives	- Holiday programs that support local development and conservation	- Number of benefits for conservation, local communities, the company and clients
	My Travel Northern Europe	- Eco-audits of destination	- Reduce the environmental impacts of tour packages and improve the overall performance
	Studiosus	- Environmental-friendly transport services	- Positive publicity and improved image through the program
Supply Chain Management	Atlas Voyages	- Suppliers' Hygiene Control Campaign	- It has created benefits at the customer level and the supplier level as well as the official and legal levels
	My Travel Northern Europe	- The 50 steps towards a good environment program	- Significant economic saving & having environmentally-certified products
	Orizzonti	- Green Checklist for Hotels	- Great awareness among stakeholders
	TUI Nordic	- Promoting codes of conduct for responsible tourism among suppliers	- Positive effect on the image of the hotel
Customer Relation	Accor	- Raising awareness about protecting Marine Ecosystems	- Improved image for Accor in general and particularly with local authorities
	Hapage -Lloyd Kreuz-fahrent	- Educational information for customers	- Increased understanding and respect among tourists for environment
	LTU Tourstik	- Inviting customer feedback on environmental issues	- Valuable insight into what is important to customers
	TUI AG	- Interactive Environmental Website	- It gives TUI guests the opportunity to find out more about environment
Cooperation with Destination	- Atlas Voyages	- Supporting research for health and hygiene in Morocco	- Raising awareness for clients and partners
	- Hotelplan	- An Eco-fund to support sustainability	- Gaining competitive advantages (customer, staff & destination)
	Travel Walji's	- Contributing to the local economy in the Karakoum region of Pakistan	- Improving the destination economy
	Viaggi del Ventaglio	- Supporting local communities in the Dominican Republic	- Added value for their holiday and strong relations with local authorities

Synthesized by authors from TOI (2003).

Methodology

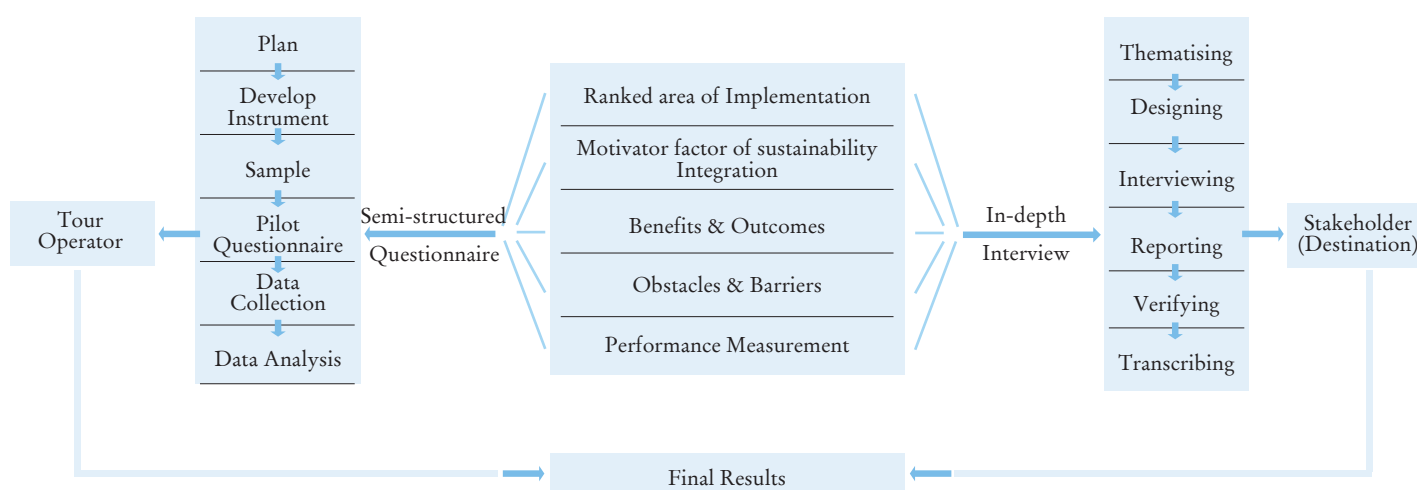
■ The methodology depends on developing a model for the factors to be investigated and guiding work through the field study (Figure 1 illustrates these factors). The data were collected through qualitative and quantitative methods; and the methods were broken down into three phases:

- Phase I: In this phase, the research depends on exploratory research techniques where in-depth interviews (Qualitative Method) are conducted with a representative sample of the stakeholders of tour operators in destination. This preliminary work usually explores the perspective on particular idea (Boyce & Neale, 2006;

Guian, 2006), formulates and defines a problem more precisely, in addition to gaining insights into the comprehension of research (Malhotra, 1996).

In this research, the main objective of these interviews is to gain familiarity with the research problem and guide the process of questionnaire compilation and development. The main topics discussed are: the main challenges and barriers facing tour operators in destination with respect to achieving sustainability goals, the outcomes and benefits returning to the destination adopting sustainability principles in the tour operator business, and the performance measurement.

Figure 1: Investigated Factors (Research Purpose)



To give a more rounded view of the tour operator role in the destination, a selection of sustainable tourism experts and number of stakeholders were invited to contribute their perspective. These participants were included in the interviews due to their role in sustainable development. They were believed to be more knowledgeable to have a basic understanding of and relationship with these topics of research in order to obtain meaningful data.

In this stage, the planning of interview consisted of identifying the stakeholders who will be involved; such as tourism management experts in Egypt from the Ministry of Tourism (MOT), Tourism Development Authority (TDA), Federation of Tourism Chambers, the Red Sea Sustainable Tourism Initiatives, representatives of hotels, travel agents, syndicated tour guides, non-governmental organizations and suppliers (restaurants, diving centers, transportation, etc). It also included what type of information is needed from them; then the development interview protocol which was first tested by experts and modified was used in conducting interviews, preparing data and concluding the final results.

Phase II: In this phase, the research depends on descriptive research techniques; a survey (quantitative method) that was developed as an investigation of tour operators with respect to their experience with implementing sustainable policies in their business. The investigation was done using a field study framework that outlines the investigated factors that influence the process of strategy adoption. For this phase, a semi-structured questionnaire was developed.

The questionnaire instrument consisted of two main sections: the first was designed to obtain data about the organization nationality and business type, while the second consisted of five tested variables (See Figure 1). These variables were extracted from the literature review studies of (Wijk & Persoon, 2006), (Sigala, 2008), (Tepelus, 2005) and (Fredericks, et al., 2008).

The instrument was checked, and then pilot-tested by experts. After making minor changes, it was distributed on 53 large tour operators as a survey sample. This sample consisted of 25 tour operators that are members of the Tour Operators Initiative. They were invited to participate via the TOI Secretary (toi@unwto.org) and 28 tour operators randomly selected from the list of the

eco-friendly tour operators (<http://ecofriendlytourist.com/touroperators.aspx>). Those companies were selected for their leading market position and interest in integrating sustainability in their business.

Due to the geographical distribution of the tour operator sample, the questionnaire had to be distributed by e-mail. According to Dejong, Steenkamp, Fox, and Bamgartner (2008), there is no difference in results when using online or pencil & paper questionnaires. Questionnaires were directed to managers holding the responsibility of environmental activities; they were selected as the ones most aware of drivers and challenges encountered during the process of adapting and implementing the sustainability strategies.

Phase III: In this phase, the research uses secondary data sources, such as tour operator documents, printed contributions and environmental reports. These documents are accessed through the internet, perusal, recorded or published information and websites. This data provided supporting evidence regarding the investigated tour operator experiences in the investigated topic.

These resources were used in order to avoid result errors arising from bias. Since the used methods must have validity, multiple resources and data collection methods should be used to provide results that have reasonable credibility level (Fredericks, et al., 2008).

Data analysis

Data and information found in this study were analyzed and discussed in accordance with the research objectives. The Statistical Package for the Social Sciences (SPSS, v17.0) was used to analyze the data obtained in this study. Descriptive statistics including simple frequencies and mean ratings were computed. Moreover, the chi-square test, a quantitative measure used to determine whether a relation exists between

two categorical variables or not (Berman, 2001), was also applied.

The analysis of variance (ANOVA) was used to test significance between groups of respondents in order to indicate if there is any difference among the means of two or more groups or not (Decoster, 2006). The used level of significance was ($p > 0.05$).

Findings and discussion

The results are structured into four main areas:

- a) Main area of implementation.
- b) Main motivators of adopting sustainability practices.
- c) Outlining barriers and outcomes of implementing sustainability practices.
- d) Performance measures.

A final response rate of 60% (n=32) was achieved. After deleting unusable questionnaires, these 32 responses were used for data analysis. It should be noted that 31% of the sample are German tour operators while 19% represents Swedish and US operators. The rest of the sample was Finnish, French, Italian and Turkish tour operators.

The analysis of data shows that 90.6% of the sample consisted of outbound tour operators, while 9.4% were inbound tour operators. The main service offered was package tours and guided tours (47%), hotel reservations (40.6%) and flight booking (12%) of the total sample.

Investigating the main activities of tour operators, the results show that 62.5% of the sample was involved in "leisure & resorts", 25% chose adventure tourism, while only 12.5% focused on sightseeing.

Table 3. Contribution Areas Ranking

Area of Contribution	Mean	Std. Deviation	Rank	X2 (Main Activity)	
				F Value	Sig
Supply Chain Management	4.00	1.29	1	40	0.000
Internal Management	2.84	1.16	5	15.34	0.053
Product Management & Development	2.91	1.34	4	40.10	0.000
Customer Relations	3.03	1.07	3	7.59	0.269
Cooperation with Destination	3.93	1.40	2	7.53	0.430

Used Scale:
 1 = very low priority of implementation
 5 = very high priority of implementation

Main motivators

■ The results of this study highlight the positive attitude towards integrating sustainability into the tour operator business due to a number of motivators. When ranking the pushing motivators, the most important factors with the highest mean score (4.06) and (4.00) were “Building Positive Public Image” and “Responding

to Customer Demands”, while the factors “Becoming an Environmental Leader” and “Expected Regulations & Licenses to Operate in Destination” were ranked as the least important with mean (2.56) and (2.06) (See Table 4).

Table 4. Ranking of Sustainability Integration Motivators

Motivators	Mean	Std. Deviation	Rank	Importance
Building Positive Public Image	4.06	1.01	1	Most Importance
Responding to Customer Demands	4.00	0.88	2	
Industry Initiatives	3.25	0.78	3	Moderate Importance
Reducing Environmental Impacts	3.09	0.82	4	
Becoming an Environmental Leader	2.56	1.10	5	Least Importance
Expected Regulations & License to Operate in Destination	2.06	0.72	6	

Used Scale:
 1 = not at all important
 5 = very important

Although results show that “Responding to Customer Demand” was the most important motivator, Wijk and Persoon (2006) argued that a clear market demand for more sustainable tourism is, still, absent. They give example of the Dutch tour operators in Holland International (part of TUI) which stopped offering sustainable tourism packages because of lack of demand. On the other hand, the results confirm the study of Gilgs and Ford (2005) who found that customers were more likely to purchase responsibly if they perceived that their act of purchase made a difference in the environment of destination.

Using the ANOVA test shows that there was significant difference between tour operators nationality with respect to motivators. The result of interviews shows that most participants agree that “Building Positive Public Image” and “Industry Initiatives” are the most important factors. The respondents explain that the willingness of stakeholders in destination to change

their management practices into sustainability practices aims at building a positive public image and to be able to join special organizations.

On the other hand, by applying the chi-square test, the results indicate that there is no significant relation between the motivators of tour operators to adopt sustainability practices and the main service provided (chi-square value = 35.77, Sig = 0.008). But there is a significant relation between the main activity offered by tour operators and their motivators to apply sustainability practices (chi-square value = 41.28, Sig = 0.001).

These results confirm the previous studies of (Wijk & Persoon, 2006) and (Hunt, Wood & Chonko, 1999) as they found that the management attitude is influenced by management intention, business performance and business type.

Benefits and barriers

■ Although the results confirmed – to a great extent – the findings from the literature and secondary data obtained, the research revealed some specific aspects related to the benefits and outcomes of integrating sustainability practices into the tour operator business as well as to obstacles and barriers that face tour operators

through the implementation stages. Table 5 outlines the results of questionnaire and interview concerning the benefits and barriers from the tour operator point of view and the destination experts and suppliers point of view:

Table 5. Benefits and Obstacles of Integrating Sustainability Practices into Business

	Destination	Tour Operator
Benefits & Outcomes	<ul style="list-style-type: none"> - Increasing long-term competitiveness - Increasing tourists demand who are seeking high-quality experience - Increasing customer loyalty - Safeguarding the destination resources - Encouraging investors interested in long-term sustainability - Increasing benefits for local communities - Providing source of income for conservation 	<ul style="list-style-type: none"> - Customer satisfaction (N=12) - Cost saving and financial situation improvement (N=3) - Enhanced product quality (N=8) - Increased operational efficiency & business opportunities (design innovation) (N=18) - Cooperation advantage (N=7) - Improved image of company in general (N=10) - Competitive advantage (N=16) - Strengthening staff skills and creating new competencies (N=9)
Obstacles & Barriers	<ul style="list-style-type: none"> - Level of stakeholder confidence - as a whole - in the importance of sustainable policies for their work. - Having little regulatory pressure in the tour operators operation - Lack of agreed metrics for application or measurement of performance - Fragmented structure of tourism sectors - Beliefs that sustainable policies reduce the company profit - Discouraged by competitive market condition - Tendency of tour operators to put responsibility on host destination 	<ul style="list-style-type: none"> - Lack of demand for sustainable tourism packages (N=12) - Cost of staff development (N=5) - Complexity due to numerous parties and partners (N=19) - Difficulty in co-operation with suppliers to apply their sustainable policies (N=20) - Weakness of shareholders support (N=22) - Difficulty to gather and report necessary information (N=11) - Long time for making performance evaluation (N=13) - Lack of reliable ways to measure performance (N=14) - Facing different regulatory systems in destination countries (N=8) - Bad effect on product quality (in some cases) (N=15) - Setting aside funds for environmental or social activities (N=17) - Costs involved with obtaining certificates such as ISO 14001 (N=2)

N = Frequency Response

The findings in Table 5 may explain why, despite responsible tourism policies and sustainable practices implementation, the tour operator business does not

have a satisfactory level as a result of facing many constraints.

Performance measurement

■ According to UNEP (2002) and WTO (2004), using the indicator measurement of performance has become important for setting evaluation, review and modification policies. The results of interview clearly ensure the need for measuring performance in order to know the issues faced in destination so that those

destinations can co-operate with tour operators. However, several participants strongly felt that the lack of examples for sustainability reports in the sector meant that performance indicators could not be based on existing practices.

Most participants commented that there is general tendency for large tour operators to be more socially responsive than the small ones because they can develop their qualitative and quantitative performance measurement.

Font and Cochrane (2005b) recommended that you cannot manage what you cannot measure; thus, sustainability performance should regularly be monitored and documented to assess whether targets and objectives are being met or not and to identify necessary action.

As for the means of measuring performance, most participants of tour operators use annual surveys, analyze environmental performance, set environmental check lists, revise the used standard metrics, analyze samples of guest information by environmental management to possess strategic functions and environmental coordinators in the affiliated companies, write reports to check environmental quality in the holiday regions, and hold

communications and exchange information with suppliers, sometimes accompanied by brief suggestions for improving supplier performance.

According to the field study and secondary data, there are two main types of performance reports and management practices:

i) A review report that provides clear and appropriate recommendation for following the annual management cycle.

ii) A sustainable report that may include a description of changes in the holiday package design, measures to maximize economic benefits for destination and other actions to address key environmental issues. The most common method of publishing and disseminating sustainability reports is through the internet, to help both staff and external stockholders to get feedback.

Conclusions

■ Integrating sustainability nowadays has become an indispensable requirement of demand, and tourism is not an exception. Although large tour operators are already undertaking steps towards this context, they have little real motivation to behave in more sustainable ways.

To achieve the aim of this study, thirty two tour operators were investigated to reflect their experiences with implementing sustainable policies in their business. Moreover, a sample of tour operator stakeholders in destination was invited to illustrate their experiences with tour operator cooperation.

Results concluded that "Supply Chain Management" has the main priority for tour operators during the implementation of sustainable practices. "Building Positive Public Image" is the main reason that encourages tour operators to integrate sustainability in business.

The main benefits reported by the majority of tour operators are "Increased Operational Efficiency & Business Opportunities (design innovation)", "Competitive Advantage" and "Improved Image of Company in General". While for destination, the main outcomes are

"Increasing Long-term Competitiveness", "Increasing Tourist Demand Seeking High-quality Experience" and "Increasing Customer Loyalty".

The research concluded that although the principles of sustainable tourism are beneficial, their implementation in tour operator business is a difficult task to achieve as there is still a major gap between strategy and implementation. The results indicated that the main obstacles that face tour operators are "Weakness of Shareholder Support", "Complexity due to Numerous Parties & Partners" and "Obligation of Setting aside Funds for Environmental or Social Activities". As for destination, the main barrier is the level of stakeholder confidence - as a whole - in the importance of sustainable policies for their work. Finally, the study discovers considerable differences in reporting behavior with respect to nationality and main services provided by tour operators.

This study proposes that future research should be done to get more insight about successful factors critical for implementing sustainability in the tour operator business while focusing on how to overcome the obstacles which face them during adaptation.

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