

AIEST Conference 2010: Abstracts Core Stream

Skills and Tourism Facilities in a Poverty Context: The Role of a NGO in the Peruvian Andes

Andrea Macchiavelli & Michele Gotti

Abstract

For some decades tourism has also been considered as a tool for poverty reduction. At first as an opportunity for regional development; later (90s) as a direct intervention in high-poverty areas to improve people's living conditions. The forms of the intervention have been different and the results achieved not completely satisfactory. This paper deal with an intervention project in the Andean Peruvian region, Cordillera Blanca, managed by OMG, a non-governmental organisation with a constant presence in the area, in order to compare its features with the key factors for poverty alleviation proposed in literature. The paper aims to point out the conditions which enabled OMG to operate successfully and the benefits brought to the destination by improving tourism services and professional skills.

Keywords: poverty alleviation, skills, training, community-based, Andes

How International Tourism is Coping with the Consequences of the Financial and Economic Crisis

Egon Smeral

Abstract

In the wake of the global recession and faced with the first signs of a potential recovery, this contribution concentrates on analysing international tourism. Starting out from a description of the key macroeconomic factors driving the industry, the paper then analyses their effects on the demand for travelling abroad in five source markets such as Australia, Canada, Japan, the US and the EU 15. The relationships were estimated econometrically for the period 1977-2008. Based on the developed models, the cyclical impact of the recession in 2009 was estimated to be a decline of around 10% in terms of outbound expenditures (at constant prices and exchange rates) for the totality of the five analysed source markets. For 2010, the forecast models promise a slight recovery of 1% in terms of aggregated outbound expenditures; for 2011, a growth of 3% is expected. Model simulations based on a risk scenario for the euro zone showed that outbound expenditures of the EU 15 will shrink significantly in 2010 and 2011 rather than recover as predicted by the baseline scenario. Beside the cyclical impacts the paper analyses also the structural aspects of the economic downturn.

Keywords: impact analysis, cyclical and structural aspects, tourism forecasts, crisis behaviour, consolidation.

Can Community-Based Tourism Trigger Poverty Reduction – a Case Study from Kenya

Ferdinand Paesler, Hubert Job

Abstract

Community-based tourism (CBT) is held an important concept to reduce poverty and to develop rural areas of developing countries. It relies on the participation of the local population and takes into account the specific local situation with its endemic resources. The study analyses the potential of CBT to decrease poverty in the area surrounding the peripheral Kenyan Marine National Park Kisite Mpunguti. For this purpose, a value-added-analysis of the area's intra- and extra-regional economic system was carried out in order to show the influence of the local participation in CBT on the economic effects of the National Park. The paper is based on a study of socio-economic effects of National Park tourism on the island of Wasini, which is located close to Kisite Mpunguti National Park. It focuses on the economic dimension of poverty and its reduction by income generated from tourism. Taking the example of two villages and two enterprises with different local interrelations, the role of varying extents of participation in tourism is highlighted. Additionally, the paper analyses the impact of the post-electoral riots in Kenya in 2007/08 which resulted in heavily declining tourist arrivals, showing the problems which may emerge by the sole dependence on tourism in case of an exogenous crisis.

Keywords: poverty reduction, participation, community-based tourism, Marine National Park, Kenya.

Classification: case study

Post Crisis Forecast of Tourist Arrivals - Asia Pacific

Lindsay W. Turner & Stephen F. Witt

Abstract

The financial crisis began to impact worldwide on tourist arrivals in 2008 and this impact continued into 2009, and for some destinations into 2010. The downturn has been the most severe longer term impact seen in the relatively short history of the new age of international travel. The recovery has started but is highly variable across destination markets. An in depth analysis conducted by the authors into the travel markets of 40 Asia Pacific destinations based upon the international travel patterns from 1990 is conducted to forecast the recovery through 2010 to 2012. The Asia Pacific region studied includes the majority of countries in North Asia, South-east Asia, South Asia, North America and Oceania including the significant markets of Australia, Canada, China (PRC), Japan, Korea (ROK) and the USA. Several models are used including ARIMA, TVP and structural models along with an expert opinion phase. The results show a rather slow overall recovery relative to previous arrivals growth, and a highly variable recovery rate. The analysis also indicates that there are some other changes occurring in travel patterns not directly related to recovery from financial crisis. This analysis is the only up-to-date multi-destination forecast analysis for Asia Pacific, and uses an original methodology mixed with widespread industry based expert opinion.

Keywords: Post-financial crisis tourism, Asia Pacific tourist forecasts

Classification: Research Paper

Twenty Years of Tourism Development Research: A Strategic Market Forces Perspective

Frank M. Go & Mariapina Trunfio

Abstract

The purpose of this paper is to present a retrospective and prospective overview of tourism research published, primarily, in the *AIEST Conference Proceedings* and *Tourism Review*. The review period covers twenty years and distinguishes three stages: from 1990-2000, 2001-2009 and 2010 onwards. Digitized information has changed the landscape characterised by fuzzy‘ boundaries, a diversity of community users and multiple layers of rule-making institutions. Decentralization and the asymmetry of information press information brokers towards networks of users-producers, who pool their knowledge to create value. So, tourism strategy is shifting from ‘dashboard theories’ based on rational analysis towards a process-oriented social-sciences perspective nurtured by New Institutional Economics (NIE) theory. This paper’s main contribution is threefold: It presents a Common Pool Resource Governance model to bridge gaps between stakeholders‘ imperfect information in the interplay between institutions and other organizational arrangements; applies this model to afford information brokerage practitioners an array of influences; and pinpoints how the tourism research - and international wider knowledge community might leverage the information resource to cope with global imbalances and contribute to the UN Millennium Development Goals.

Keywords: tourism growth, international tourism development, information, common pool resource, emerging economies, knowledge, governance.

Linkage between Operators' Satisfaction and Local Resource Potential for Rural Tourism

Yasuo Ohe, Shinichi Kurihara & Shinpei Shimoura

Abstract

For the development of tourism in rural areas, it is essential to raise the local resource potential. As rural tourism evolves into diversification, the connection between the individual and local resource management is becoming an important issue for the sustainable evolution of rural tourism. To explore this point, we investigated conceptually and empirically whether rural tourism operators' individual satisfaction enhances utilization of local resources and, if so, what process works for it by focusing on rural tourism accompanied by an educational program, i.e. a farm-stay with farm and rural experience services implemented as a part of school trips in Matsuura, Japan. From statistical tests and an econometric estimation based on a questionnaire survey of rural tourism operators we found that operators' individual satisfaction gained from interchange with visitors and direct feedback can positively enhance locally exerted effects that stimulate operators to recognize opportunities within their community and raise the potential for local resource use. Thus, we can say that a stepwise approach will be effective in raising the local resource potential through strengthening this connection to eventually create a new viable activity. This point is worthy of consideration in formulating local support policies for rural tourism.

Keywords: Rural tourism, local resource potentials, operators satisfaction, farm stay program for school children, simultaneous estimation model.

Global Economic Recession Impact Assessment on Tourism SMMEs in Limpopo Province, South Africa

Emmanuel Oseifuah, AB Gyekye & T.Nethengwe

Abstract

Tourism is generally recognised as the second largest industry in the world after manufacturing. Researchers emphasise that tourism expenditure has become an important source of economic activity, employment, tax revenue, and foreign currency generation in many economies (Eadington and Redman, 1991). According to the World Travel and Tourism Council (WTTC) 2008 annual research figures, the travel and tourism industry employed over 255 million people world-wide and generated 9.6% of global GDP in 2008. Other related studies (see, for example, Tourism Intelligence International, 2009), however, reveal that the current global recession is having profound negative impact on the industry worldwide. The question that arises is “*what are the consequences of the global recession on the demand for tourism SMMEs services in the Limpopo Province of South Africa?*”

The purpose of the study is to assess the effect of the current global recession on tourism small, micro and medium-sized tourist enterprises (SMMEs) in the Limpopo Province of South Africa. Contrary to the findings of many studies on the impact of global economic downturn on tourism (Madden, 2008; ADB, 2009; Fabian, 2009), our study reveals that there has not been any discernible impact of the global recession on tourism SMMEs in Limpopo. The plausible reasons for our findings are the relatively mild and short lived recession in the South African economy coupled with the fact that domestic tourism contributes substantially to tourism sector revenues. This therefore confirms the continuous calls in various quarters (Koch and Massyn 2000; Monitor, 2004) for more attention to be devoted to promote domestic tourism for it to play its role in sustainable tourism development.

Keywords: Global economic recession, Small and Medium-sized Enterprises; South Africa, Tourism.

Potential of the Tourism Confidence Index in the Circumstances of Economic Crisis

Tanja Mihalič

Abstract

The financial crisis has had an enormous impact on the business world in various sectors, with the tourism sector being no exception. In order to follow global and regional business tourism conditions, the United Nation World Tourism Organization (UNWTO) introduced the Tourism Confidence Index (TCI) survey that calculates global and regional TCIs and has been conducted since 2003. Since 2008, TCI methodology has also been implemented at the national level in the TCI survey in Slovenia.

This paper attempts to present a good practice concerning TCI calculations, its potential to measure tourism business confidence and to help to respond to the financial crisis. Why should we measure tourism confidence? How reliable are the calculated TCI prospects and evaluations? How can the impact of the financial crisis on tourism be monitored and measured through TCI? What is the potential of the TCI for tourism decision-makers? Hypotheses on correlations among TCI prospects, TCI evaluations, international tourism flows and economic conditions are tested in order to evaluate the reliability of TCI predictions. Then, hypotheses on the potential of TCI to take the financial crisis into account as a factor of tourism demand are checked for validity. Finally, the usefulness of TCI for tourism policy-makers and managers is presented by considering the Slovenian TCI.

Venture Capital Financing and Tourism Industry in South Africa

Kizhakanveatil Bhaskaran Pillai Subhash, Miriam Scaglione & Klaus Weiermair

Abstract

This paper tries to identify the role of Venture Capital (VC) in promoting Tourism and Hospitality sector in South Africa because both Tourism and VC has the inherent characteristics of acting as a catalyst of transforming the economy. Thus by capitalizing on these two catalysts, a socially responsible growth can be seen in tourism and hospitality industry in a region in general and South Africa in particular in the near future. Since it is purely based on secondary data and tries to develop a conceptual model for transforming the economy; a thorough study needs to be carried out for understanding the perceptions of the two categories of entrepreneurs; viz.; venture capitalists (VC's) and tourism business community, for developing a strategy which combines these two entrepreneurs in the quest for transforming the economy to a higher level. The contribution of the dynamics of VC financing and tourism as the dual catalysts of transforming the economy for sustainable development has not been sufficiently researched in South Africa and, therefore, the study fills the gap by adding valuable knowledge, new perspectives, and presents possibilities for consideration. The paper offers valuable inputs for VC's, tourism business community, the NGO's, the governments, and other stakeholder groups

Keywords: Dynamics of Venture Capital, Rural Tourism, Sustainable Development, Developing Countries, South Africa, Global Warming and Financial Crisis.

Tourism and Poverty Alleviation Approaches: A Case Study Comparison

Miriam Scaglione, Saskia Marx & Colin Johnson

Abstract

This research is exploratory and based on case studies. The main aim of this paper is the analysis and comparison of two contemporary approaches in the field of poverty alleviation through sustainable tourism development. A secondary goal is that of a response to certain criticisms of a *conservative or negative* position about tourism and poverty reduction.

A literature review presents the United Nations millennium goals and the theoretical base of the paper by describing the context of sustainable tourism and poverty reduction. A theoretical comparison is made between the two most popular approaches, namely community-based tourism (CBT) and pro-poor tourism (PPT). The example of the inclusive tourism model used by the International Trade Centre (ITC) is used as an illustration. The fourth section describes three case studies using the CBT model in El Salvador and in Viet Nam and the PPT model in east Brazil. The final section contains the conclusions and the limitations of the research.

Keywords: pro-poor value chain, community-based tourism, poverty reduction, value chain analysis, UN Millennium Development Goals (MDG)

Technical Cooperation as a Driver for Destination Development in India - Two Cases

Christopher Reuter, Harald Pechlaner & Subroto Roy

Abstract

This paper aims at displaying recent case studies from the Himalaya region in India. Two explorative case studies are used to show recent developments in the Indian tourism industry and try to explain how modern technical cooperation works on the ground level. The study shows that technical cooperation in the field of tourism is a useful and necessary path for destination development. The role of organisations like GTZ has changed enormously over the last decades and nowadays the focus lies on what is known as capacity development rather than simply on transferring technology to developing countries. Additionally, in India stakeholder management is of great importance, because of India's democratic history and empowerment of social groups. Organizations like GTZ seem apt to play the role of the intermediary in order to ensure progress and foster destination development. This paper draws its findings solely on two cases, therefore further research has to be undertaken to broaden the understanding of technical cooperation in the field of tourism in developing countries such as India. Added value is created by calling attention of both academics and those working in the field to developments in the rising Indian market and how local and international consultants can add value to emerging destinations in the tourism industry of rural areas in India.

Keywords: India, Technical Cooperation, Destination Development, Competency Development