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Stakeholders' Attitudes towards Sustainable Tourism Development in Coastal Communities

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ABSTRACT

In order to understand the range of stakeholders affected by tourism development in three coastal counties of North Carolina this study examines how property owners may be clustered based on their attitudes towards sustainable tourism development. This paper outlines the need for stakeholder groups' profiles so decision-makers might understand who represents different attitudes towards sustainable tourism development. The study was conducted in three coastal counties where tourism is a large contributor to the economy but also has negative impacts on social and natural resources. Therefore it is critical to understand how property owners perceive further tourism growth in their communities.

Keywords: Stakeholders, Sustainable Tourism Development, Resident Attitudes, Second Homeowners, Coastal Tourism

INTRODUCTION

For many years North Carolina's coastal communities have served as a tourism destination for domestic and international travelers. The region's natural resources, climate and reputation as a family destination continue to attract over eight million travelers a year (North Carolina Regional Travel Summary, 2009). With the high levels of visitation there have been increasing numbers of accommodations, restaurants and attractions built to serve the visitors. Brunswick, Currituck and Pender are three coastal North Carolina counties who share in these high visitation numbers and demonstrate the infrastructure growth associated with increasing number of tourists. The growth associated with tourism has also led these counties to depend on tourists' dollars as a source of revenue. The three counties see an average of \$175 million of tourist expenditures annually, accounting for \$11 million of local tax receipts on average. Additionally tourism accounts for an average of 2,190 jobs in each county (United States Travel Association, 2009.)

There are many examples of other coastal regions that are dependent on tourism and have witnessed rapid growth and change. Similar situations have been identified in tourism areas such as Waikiki Beach of Oahu, Hawaii. Sheldon and Abenoja (2001) discuss the challenges of declining visitation numbers in Waikiki Beach of Oahu, Hawaii where tourism is critical to the economy just as it is to North Carolina's coastal communities. To determine solutions to the visitation problem Sheldon and Abjenoja (2001) surveyed residents and the results identified issues that could help solve the visitation problem such as improved access to beaches and more authentic representations of the Hawaiian culture. Sheldon and Abjenoja's (2001) findings address social and cultural improvements

that will help to ensure the long-term success of tourism in Waikiki Beach. However for many coastal areas, environmental challenges must also be addressed. The quality of the natural resources in coastal environments such as beaches and the ocean are typically what attracts tourists to a destination. But other resources such as freshwater, developable land and the natural scenic beauty of a destination must also be protected. Additionally the economic impact tourism has on coastal communities must be considered.

For tourism-dependent communities such as those in coastal North Carolina where tourism dollars help drive their economy it is crucial to maintain and develop tourism in a way that will not degrade the resources that attract tourists to the area. Decision-makers must also consider how increasing levels of tourism development may affect the property owners who live in the community permanently as well as those who own second homes in the area. This study will examine property owners' (both full time residents and second homeowners) perceptions towards sustainable tourism development and will attempt to make distinctions between the attitudes held by different stakeholder groups identified by their demographic profile and dependence on tourism. By understanding which factors of sustainable tourism development are supported by property owners and how attitudes towards sustainable tourism development vary across groups of property owners decision makers will be made aware of what actions would be supported by which members of the community?

This study will attempt to address two research questions. These questions will shape the design of the instrument, the statistical analysis and the reporting of results.

Research Question 1: Who are the different stakeholder groups within coastal communities, based on their perceptions of sustainable tourism development?

Research Question 2: How do these stakeholder groups compare in terms of residency status, demographics and business ownership?

REVIEW OF THE LITERATURE

The global growth of tourism has led to high levels of development in many communities, where the economic benefits of tourism are touted and the environmental and cultural resources that attract tourists seem to be endlessly available (Weaver, 2006, p. 5). The rapid growth of tourism has led to change in these communities - which without proper planning and management strategies can cause negative economic, environmental, social and cultural impacts (Choi & Sirkaya, 2005 p. 383). Although there are many economic benefits gained from tourism, it is also likely that the community as a whole may suffer from economic leakages. High levels of foreign investments and an increased reliance on imported goods are two examples of where economic leakage may occur (Choi & Sirkaya, 2005 p. 383). In fact, although tourism is touted as an economic savior to many communities it is likely that "no more than 20% (less than 10% in some regions) of tourist dollars circulate with community destinations" (Choi & Sirkaya, 2005 p. 383). Tourism jobs are seasonal and low paying, leaving employees without benefits or opportunities to move up into higher paid positions (Weaver, 2006, p. 7). For residents of a destination who are employed in the tourism industry additional negative economic impacts caused by tourism, such as inflation and increased land prices (Sirakaya, Jamal and Choi, 2001, p. 411) may be especially challenging. With low wages and a high cost of living, it may be next to impossible for workers to live in the community where they work.

The negative impacts of tourism go beyond economic losses. As Liu, Sheldon, and Var (1987, p. 18) summarize, though tourism is encouraged because of its economic benefits it is often the environment that suffers from its impacts. Swarbrooke (1999) outlines the impacts tourism has on

many environments including: natural resources, the natural environment, wildlife, and the built environment. He finds that tourism may lead to increased levels of pollution, overuse of fresh water supplies and the loss of wildlife habitat due to development. Additionally Hunter and Green (1995) find tourism in coastal areas leads to negative environmental impacts such as erosion caused by the overuse of beaches and increased water pollution due to poor management of sewage. Cultural and social activities are another major attraction for tourists and may also become irreversibly damaged due to tourism. As King and Stewart (1996, p. 296) state "the intrusion of guests, along with their monetary power, transforms the host' native environment and culture into commodities." Indeed as Glasson, Godfrey and Goodey (1995, p. 7) summarize "tourism contains the seeds of its own destruction: tourism can kill tourism, destroying the very environmental attraction which visitors come to a location to experience."

Choi and Sirakaya (2006, p. 1274) suggest that "as decision-makers became increasingly aware of the drawbacks of mass tourism, they searched for alternative tourism planning, management and development options." As a way of addressing the negative impacts of tourism but also recognizing the potential for positive effects alternative forms of tourism development such as agritourism, communitybased tourism, ecotourism, nature tourism, rural tourism and sustainable tourism have been adopted by communities. These alternative types of tourism have helped to usher in a new approach to tourism development, the sustainable tourism paradigm. (Choi & Sirakaya, 2006 p. 1274.) Support for such a shift can be observed in many international documents such as the Berlin Declaration (1997) where tourism officials stated concerns "that while tourism may importantly contribute to socio-economic development and cultural exchange, it has, at the same time, the potential for degrading the natural environment, social structures and cultural heritage" (Berlin Declaration, 1997, p. 1) and concludes that tourism should be developed to be sustain these resources. Sharpley and Sharpley (1997) suggest that sustainable tourism can establish a symbiotic relationship between tourism and the environments it relies upon. Over the course of the past twenty years it can be observed that tourism development is warming to this new approach and it has emerged as the best-known alternative to conventional mass tourism (Choi and Sirkaya, 2005 p. 382). Throughout the past two decades several documents have come to shape the definition of sustainability and sustainable tourism. This has both helped and hindered the field; by providing multiple interpretations that lead to confusion among researchers, visitors, residents, businesses, and local governments alike (Berry and Ladkin, 1997, p. 437), but also allowing for many applications of the sustainable approach.

Though multiple definitions of sustainable tourism have been provided, all tend to have a common theme of community support for tourism. Such an intention harkens back to the original justification of tourism development – providing increased economic support for a community. However, it can be seen that this conventional approach does not always achieve its noble goal, often allowing money to leak out of a community through the hands of international ownership, workforces and imports. At the epicenter of the sustainable tourism paradigm is the "fair distribution of economic benefits among community residents" (Choi and Sirakaya, 2005, p. 383). With the application of the sustainable tourism paradigm in tourism development communities may be able to realize such goals. However the successful implementation of sustainable tourism requires as Choi and Sirakaya suggest (2005) "vision, policy, planning, management, monitoring, and social learning processes" (p. 382) and "full community participation in the development process" (p. 383). Whatever the position, a common theme among these perspectives is that sustainable tourism development includes a focus on attaining some level of harmony among stakeholder groups to develop a desirable quality of life that lasts (Ahn, Lee, and Shafer, 2002 p. 1).

Choi and Sirkaya (2005) suggest that community participation is required in the sustainable tourism development process. Others (Jamieson and Jamal, 1997 and Hunter, 1997) suggest that

resident participation in planning process is the very foundation of the sustainability paradigm. However, identifying those who should be involved in the planning process can be a challenge for decision makers. The community involvement theme found in many definitions of sustainable tourism development suggests that all community members should participate in planning processes. However, decision makers should be prepared for community members to hold a variety of perceptions, attitudes and beliefs about tourism development. The community may not speak with one unified voice, as the members may have different levels of economic dependence on tourism or varying degrees of attachment to the surrounding environments and culture. This study aims to improve the process of organizing community participation by identifying subgroups within the community who may be considered stakeholders in the tourism development process and their attitudes towards tourism development. Just as business plans includes goals and objectives for a company, a tourism planner must set goals and objectives for the services they provide. To ensure the accomplishment of these goals and objective tourism planner may look to business strategies, such as Stakeholder Theory. Developed by Freeman in 1984, Stakeholder Theory states that a stakeholder is "any group or individual who can affect or is affected by the achievement of the organization's objectives" (Freeman, 1984, p. 46).

Sautter and Leisen (1999, p. 315) support tourism planners use of Stakeholder Theory and suggest that the first step in implementing stakeholder management is "to have a full appreciation of all the persons or groups who have interests in the planning process(es), delivery and/or outcomes of the tourism service." Though identifying every stakeholder is a challenge in utilizing Stakeholder Theory Sautter and Leisen (1999, p. 315) go on to outline stakeholders that are often consulted by planners: local businesses, residents, activist groups, tourists, national business chains, competitors, government and employees. For every destination these stakeholders may be different, and it is the planner's prerogative to identify those who are affected by tourism development. The core concepts of Stakeholder Theory are promoted by many researchers. Gunn (1994, p. 353), Inskeep (1991, p. 236), and Murphy (1983, p. 37) all advocate for the involvement of stakeholders at an early stage in planning. And when exploring the importance of a corporations' relationship with its stakeholders, Clarkson (1995, p. 107) finds further support for identifying and encouraging the participation of stakeholders, as "failure to retain participation of even a single primary stakeholder group will result in the failure of that corporate system."

As Ap (1992, p. 665) summarizes, "[f]or tourism in a destination area to thrive, its adverse impacts should be minimized and it must be viewed favorably by the host population." Here he describes how residents are a critical part of the tourism development process since they must deal with the impacts of it. Any negative attitudes towards tourism development maybe displayed through interactions with tourists and other actions that work against the success of the tourism industry. If tourism is developed to be a main source of economic development in a destination, a positive interaction between tourists and residents is necessary to maintain the success of tourism. To facilitate this positive interaction it is critical that their attitudes, perceptions and levels of satisfaction are understood. Especially now, as a paradigm shift is occurring in tourism development- from a focus on mass to an approach that actively incorporates sustainable development- planners and developers need to know how their plans will be received. If governments, policy makers and businesses desire to achieve sustainable tourism development then it is crucial for them to understand how the "needs and desires of residents are met such that their support is sustained" (Kitnuntaviwat and Tang, 2008, p. 46).

Andereck and Vogt (2000, p. 27) argue that "concern with resident wants and desires is necessary to maintain resident support for tourism, given that residents are in the community to stay." Understanding that residents must contend with the impacts of tourism year-round is especially important for planners and developers to understand. Many studies have been conducted examining

resident's attitudes towards tourism. Andereck and Vogt (2000, p. 27) contend that such research is important as "without community support, it is difficult to develop a sustainable tourism industry in a community." In their study of tourism development in rural communities in Arizona Andereck and Vogt (2000, p. 35) concluded that "[c]ommunities differ with respect to resident preferences for new tourism products and expansion of existing products." Though the communities of the three counties examined in this research are not entirely rural communities, Andereck and Vogt's conclusion may hold true in this context. Planners, public officials and business organizations (such as Chambers of Commerce) should be aware of these various attitudes and be prepared to incorporate resident's preference into plans for tourism development.

Indeed the multitude of research such as Andereck and Vogt's support Goeldner and Ritchie's (2006, p. 559) argument that "[n]o longer can it be assumed that the residents of a tourism destination/region will automatically accept all (or any) forms of tourism development that the industry proposes or attempts to impose." Therefore it would be imperative for those decision-makers who have the ability to encourage or dissuade tourism development in a community to understand the attitudes residents hold toward tourism development. Hawkins and Cunningham (1996) provide an example of the importance of listening to the needs of residents and other stakeholders in tourism development. They examine the attempt made by the Walt Disney Company to develop the Disney's America theme park in Prince William County, Virginia. Initially Disney made the effort to reach out to stakeholders such as the local and state government, business owners and supportive residents but failed to connect with environmentalists, historians and residents who did not want to see an increase in the levels of traffic, pollution and property values in their community. Ultimately the dissenting stakeholders were able to create enough bad press for the Walt Disney Company that the plans for the development were terminated. Though development in North Carolina's coastal counties will not be on the same scale as the Disney's America project, this case study provides an important lesson about the importance of involving all stakeholders when changes at any level may occur.

METHODOLOGY

This study is a replicate of a prior study conducted in similar amenity-rich communities in North Carolina, with a pilot study conducted in a coastal community two years prior to the initiation of this study. Three new counties were selected for study due to their proximity to the coast, high levels of second homeownership and representation of different stages of economic development. The instrument used in this study was adapted from that which was used in the previous studies to include additional items on the scale measuring attitudes towards sustainable actions in tourism development. As a means of ensuring that critical issues related to tourism were measured on the instrument site visits and focus groups were conducted prior to the distribution of the survey. During the site visits researchers visited each county and met with the county tourism director, planner, economic development officer and any available Chamber of Commerce representatives. These visits allowed researchers to observe firsthand the challenges each county faced in terms of infrastructure, available land for development, quality of natural resources, the state of the local economy as well as social and cultural challenges. The focus groups were conducted with permanent residents as well as business owners. Participants were asked to complete the survey then provide feedback on the content. Second homeowners whose permanent residence was in close proximity to East Carolina University were also invited to participate in focus groups on the University campus. The results of these site visits and focus groups helped researchers craft new questions to address issues residents were particularly concerned with such as the availability of parking and municipal sewer.

The survey was distributed to both permanent residents and second homeowners. For all three studied counties the property tax record was used to create a stratified random sample of property

owners who were invited to participate in a survey. Therefore the population for the study was all property owners in each county. The proportion of permanent residents to second homeowners found in the population was reflected in the sample, with second homeowners identified by those who had mailing addresses that were different from the physical address listed on the property tax record. A total of 14,573 property owners were selected for the sample.

Prior to the release of the survey the phone numbers for as many sample members as possible were obtained through a private company. Sample members whose numbers were found received a phone call informing them that they would soon receive a postcard in the mail. Every sample member received a postcard inviting them to complete the survey by one of three methods, online, on paper or over the phone. Those participating online entered a link included on the postcard and used an access code to start the survey. Participants who wished to complete the survey on paper were invited to contact researchers and request a paper copy to be sent to their residence. Those wishing to complete the survey over the phone could call researchers to conduct a phone survey. Following a modified Dillman method (1978), four weeks after the initial mailing reminder postcards were sent to those who had not yet completed the survey, this mailing was preceded by a reminder phone call to those sample members whose phone numbers were obtained.

Upon the completion of data collection the data from the online, paper and phone survey were compiled into SPSS for statistical analysis. To determine stakeholders groups within the community based upon their perceptions of sustainable tourism development a combination of cluster and factor analysis was used. Similar analysis strategies have been used by Sirakaya, Ingram and Harrill (2008) and Kibicho (2008). Initially factor analysis was used to determine the underlying dimensions of the 15 variables used to measure property owners' perceptions of sustainable actions in tourism development. These factors were named based upon the common themes of the variables they contain. After the factors were determined a simple *t*-test was used to evaluate which factors of sustainable actions in tourism development the property owners support. Finally cluster analysis was used to determine stakeholder groups based upon property owners' responses to the factors of sustainable actions in tourism development. For example, Sirakaya, Ingram and Harrill (2009) found three groups of resident clusters based upon their responses to variables measuring sustainable actions in tourism development, those groups were Strong Sustainers, Moderate Sustainers, and Weak Sustainers. To determine a profile of the members of the stakeholder groups identified by cluster analysis demographic characteristics such as age, sex, annual income, length of residency and occupation will be examined.

EXPECTED RESULTS

It is the intention of this study to examine which sustainable actions in tourism development are supported by the property owners in three coastal counties in North Carolina. In addition to understanding which actions are supported this study will determine if property owners can be organized into stakeholder groups based upon shared attitudes towards sustainable actions in tourism development. It is expected that results similar to Sirakaya, Ingram and Harrill (2009) will be found, in that distinct groups will be clustered based upon similar attitudes towards sustainable actions in tourism development and it will be clear that there are varying levels of support across the groups. These distinct groups can then be considered stakeholders in the tourism development efforts in their communities as they may or may not be in support of sustainable actions in tourism development.

Additionally this study will provide a demographic profile of the members of the groups, which will help decision-makers involved in tourism development be aware of who they should solicit input from to ensure that all stakeholders are involved in the planning process. It is hoped that the results of this

study will prove useful to tourism development decision-makers in each of the studied counties and that the results will be applicable to other coastal communities.

This submission is a component of a Master's thesis that will be published through East Carolina University upon the authors graduation. The author also intends to pursue journal submissions of the findings of this study once it is completed.

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