Service sector in terms of changing environment

Spatial planning and sustainable tourism as basis for developing competitive tourist destinations

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Abstract

It becomes evident that the increase and expansion of tourism markets, also the creation of larger and more numerous tourist destinations, or the growth of the overall tourism industry which is expected to advance in the coming decades as never before, will cause enormous effects on the economy, cultural identity, as well as on the physical environment. It is required on a global level, to adequately distribute the development of tourism resorts and destinations, as well as to deal with the dangers that can arise and are related to overcrowding which can cause unsustainable development of the most visited and most attractive tourism places. The aim of the paper is to present the importance of the contemporary changes in tourism which requires adaptation of all participants in the creation of the tourism offer in given destinations. The destinations start to be considered as complex wholes with an aim to ensure competitiveness on the tourism market. Sustainable tourism has become a separate category of selective tourism offer. Destinations become to be a set of joint tourism products and services, which implies the active participation of all stakeholders. New concepts for achieving competitiveness have been developed such as: development of sustainable destinations, destination management planning and implementation of integrated quality management.

Keywords: spatial planning; sustainable tourism; sustainable destination; destination management planning; integrated quality management.

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1. Introduction

Tourism, observed as a complex social and economic phenomenon, has risen to unprecedented levels of development and prosperity worldwide.

The past few years, the travel and tourism industry had to face a series of unpredictable events. The political uncertainty, terrorism, the variation and variability of consumer habits and demands, the economic turbulences and so on, created various pressures on the industry. In an effort to adapt to a changing marketplace, the travel and tourism industry had to restructure and refocus its efforts. While business plans have become shorter, more governments began to realize that they can not leave the growth and development of this industry only to chance. On the other side, the increased global awareness for these issues represented a huge opportunity for prospective directions in the industry. Noticeable is the shift in thinking about sustainable development and proper spatial planning as well as their impact on tourism and the mutual connection between them.

The providers of tourism services tend to offer such products and services that correspond to the given tourism needs of the consumers, who in a way "unite" themselves due to some mutual and specific necessities. Taking into account the geographical principle of determining the tourism market, we can define tourist destinations – spatial integrities where all transactions are occurring and are executed.

It becomes evident that the increase and expansion of the tourism markets, as well as the increase of the number and size of tourist destinations, or with other words – the growth of the overall tourism industry, will generate enormous effects on the economy, on the cultural identity, as well as on the physical surrounding and environment. On a global level, this requires adequate developmental allocation of tourism localities and destinations.

Openly and unequivocally it can be concluded that spatial planning and the development in general, can become unsustainable, if no detailed or thorough analysis and adequate research are undertaken. These should be focused on redefining the existing models and standards for establishing and executing tourism activities in certain areas.

Tourism represents a cross-sectional occurrence, involving a wide range of involved parties (stakeholders) from almost every domain who have different and often contradictory interests and agendas. The decisions about tourism development should be balanced between the national and the local needs, the private sector and the state, the local communities, the communities of citizens, between the tourists and the mass media etc. Especially political decisions should take into account the direct returns as well as the long-term benefits, which require a clear and well defined vision.

Therefore, sustainable tourism development is a very complex and complicated task to achieve.

2. Spatial planning as an opportunity for developing sustainable development

Sustainable development is a kind of development that adjusts the needs of present generations without compromising the ability of the future generations to satisfy their needs. Sustainable development needs to improve the integration of three independent developmental dimensions: economic, social and environmental.

Spatial planning can be used as an instrument for coordinating the socio-economic development through preventing environmental problems and simultaneously protecting the natural and cultural environment. The challenge for planning is to ensure efficient use of limited land resources and ensure balanced regional business development and balanced use of resources, including natural resources and landscape resources, soil, water and air. Because spatial planning has a long-term character, it can also involve important principles of sustainability.
Therefore, the use of spatial planning to promote and enhance sustainable development includes the concepts of development and protection more as complementary, rather than contradictory elements.

Several action programs can be developed that individually refer to different areas and needs, however it is important to take into consideration the integration of sectors through spatial planning (regional planning and business development, sustainable urban development, transport, biodiversity, cross-border cooperation and regions, etc.) democratic and public participation, development of planning instruments, etc. This must be done in order to promote sustainable development on a given territory.

Of course the central place for such a promotion can represent the right strategic development of the tourist destination, like the development of sustainable tourism.

3. Developing sustainable tourism

The positive impact that tourism has on various aspects of human activity and environment can not be denied. However, there exist numerous negative viewpoints about the tourism destinations that manifest massive negative impacts on the local environment, culture and lifestyle. This led to considering an approach of a more sustainable tourism development. It requires the involvement of various parties for this complex process to become reality.

There are numerous definitions for the determination of the term sustainable tourism. Many of them originate from the basic definitions about sustainable development. According to the Committee of Ministers of the Council of Europe (1995) sustainable tourism development pertains to all forms of development and management of tourist activities that respect the environment, protect for a long-term the natural and cultural resources, and are socially and economically acceptable and equitable.

Sustainable tourism development is also defined as a development which: “…meets the needs of present tourists and host regions while protecting and enhancing opportunity for the future. It is envisaged as leading to management of all resources in such a way that economic, social and aesthetic needs can be fulfilled while maintaining cultural integrity, essential ecological processes, and life support systems.”

Similarly, sustainable tourism is defined as: “…any form of development, provision of amenities or tourist activity that emphasizes respect for all and long-term preservation of natural, cultural and social resources and makes a positive and equitable contribution to the economic development and fulfillment of people living, working and staying in these areas”

It is typical of the above, and many other definitions, that although formally correct, they have not made a very significant step forward from the standard definition of sustainable development. All they do is to add some of the specificities of tourist activity to that standard definition. Actually, they only marginally alter the three basic requirements: the integrity of ecosystems, economic development, and equity within and between generations. This makes them only partially acceptable.

Unlike these definitions there exist more substantial definitions that are more focused on tourist activities. Accordingly, sustainable tourism is: “…all forms of tourism development, management, and activity which enable a long life for that cultural activity, which we call tourism, involving a sequence of economic tourism products, that are compatible with keeping in perpetuity the protected heritage resources, be it natural, cultural or built, which give rise to tourism.”

According to the given and other more focused definitions it becomes clear that there is consideration about integrating tourism into a wider field of sustainable development management. Tourism, even if sustainable, cannot be discussed outside of the context of the integrated development of all the activities being important for sustainable development in a particular area. Neither economic sustainability, nor ecological sustainability, nor tourism sustainability, nor any other can be discussed separately.
In order to achieve a proper sustainable tourism development there should be taken into account the following three main initiatives:

- Industrial initiatives for sustainable tourism;
- Influencing consumer behavior to promote sustainable tourism;
- Developing broad-based sustainable development through tourism, while preserving the integrity of local cultures and the environment - community development.

3.1. Developing broad-based sustainable development through tourism

Of greatest interest in this paper, from the previous mentioned initiatives, that could be undertaken in order to ensure a proper sustainable tourism development would be the development of a broad-based sustainable development through tourism, while preserving the integrity of local cultures and the environment - community development.

Tourism development in the past insufficiently took into account the limitations of natural resources, the impact on wildlife and the threat to the various cultures. The environment and social development were ignored. In the process of globalization, the participation of local communities in decision making for natural conservation is often not taken into account.

If there is a desire to achieve sustainable tourism, it has primarily to improve the local lifestyle, to protect their environment and health, and to offer a better future. In many cases, tourism opens up opportunities to strengthen the powers of local communities and environmental protection through the creation of new jobs and new possibilities, expansion of local economies, preservation of endangered cultural heritage, improving public awareness and education. The business sector can choose between sustainable tourism and other ways of conducting business that are more polluting.

In order to achieve sustainable tourism it is essential to define optimal tourist destinations in local areas and regions, meeting tourists’ needs with minimal impact on the environment of the local communities.

Of course there can not be excluded the problems that may arise in this regard. The complex and wide-based involvement of local communities in tourism development requires targeted investment strategies by local decision makers. These strategies do not exist in many areas and tourism development is not planned. Usually, tourism investments are implied from outside, which weakens the opportunity to create sustainable forms of tourism. Alternative forms of tourism as opposed to mass tourism (Cultural tourism, rural tourism, eco - tourism, etc.) may have important influence on changing the very nature of tourism. Tourism can have benefits for both the tourists and the local communities and enable two-way interaction and learning.

The solutions would include involvement of states, regions, various organizations and individuals to operate with new technological, natural-based resources management and marketing concepts. Participative planning and implementation will be part of Local Agenda 21 - processes. To ensure involvement of local communities and preserve local cultures, sustainable tourism development should involve all stakeholders in tourism development at all appropriate levels, to promote development of tourist services that are planned, managed and supervised by the host communities. This would ensure retention of tourism revenues in local communities and thereby increase of living standards and they will generate a lucrative source of revenues, encouraging and motivating local groups to direct the cross-cultural exchange in a way that it suits them and to use means and ways to conserve and protect the environment.

There should be created local and regional tourism councils, including stakeholders. Their role would be:
promoting concept of sustainable tourism and cooperation with local governments and all stakeholders in accordance with the priorities of Agenda 21;

- systematical efforts to attract investment for sustainable tourism;
- assistance to other institutions in developing marketing strategies and training programs, and promoting of educational material;
- cooperating with various public institutions for including all groups of stakeholders in tourist activities and providing larger benefits for the entire community;
- cooperation with organizations to develop strategies for employment through sustainable tourism.

4. Creating a competitive destination

When a new destination emerges on the market or when a destination has to be revived again – that is to be revitalized, several steps have to be taken into account in order to define the correct strategy which is a very difficult task.

Unlike the comparative advantages of a destination which include access to resources, the competitive advantages mean the destination’s ability to effectively use these resources in the long run. A destination can have abundance of resources, but not to be as competitive as a destination which lacks with resources while properly using those which it already has but in a more efficient way. This means that the destination that has a clear tourism vision which it shares with all stakeholders, that understands its strengths and weaknesses and creates a proper marketing strategy that is implemented adequately, can represent a far more competitive destination than other destinations that do not understand what role tourism can play in their social and economic development.

There are different models and ways for developing and deploying of resources. In many countries and regions, unlike in the past, the governments and public authorities at different levels are starting to play a more active role and extensively participate in the tourism development of the region or destination. The allocation of resources has to be more effective through their promotion, regulation, presentation, planning, monitoring, maintenance, coordination, strengthening and organizing. Furthermore, this role can be performed by the industrial associations such as transport associations, hotel - restaurant associations etc. and they can take over greater responsibilities. They also can express their views related to environmental, social and cultural impact that tourism development has. Communication between stakeholders is crucial in order to have an efficient allocation of resources.

Whatever the decision makers of this process are, five elements of mobilization or allocation of resources can be determined: Inventory, maintenance, growth, development and efficiency / effectiveness.

There exist several drawbacks and criticisms about the newly created strategy for creating competitive advantage of tourism destinations because:

- Comparative advantages are no longer natural.
- Tourism is a volatile, sensitive and fiercely competitive industry.
- The industry is undergoing rapid and radical transformation – the rules of the game are changing for everyone.
- What is at stake is not just tourism but the survival of tourism-dependent economies.
- The future development and viability of tourism-dependent economies will depend not only on tourism, but on the entire service sector.

Furthermore, the destination’s competitiveness and performance does not necessarily mean the same thing. Some destinations, therefore, can have enormous advantages for some market segments and attributes, but also weaknesses in others. Some destinations may have a more balanced approach and to
The destination’s performance steps would be:

- **Comparative advantage.** That is availability of resources - human, natural and physical; knowledge; capital; infrastructure and tourism superstructure; historical and cultural resources; and the size of the economy.

- **Competitive advantage.** Ability to mobilize and allocate resources - overview of inventory (governmental involvement), maintenance (industrial involvement), growth and development (companies), efficiency and effectiveness (different interest groups).

- **Tourist markets.** Means the total of the markets - nature of demand, size of demand, time and future demand.

- **Goals.**

- **Strategy of market targeting.** Its implementation.

5. **The concepts of sustainable destinations and Destination Management Planning (DMP)**

As previously noted, the concept of destination competitiveness must be examined in a long-term perspective. It exhibits significant implications for how a given destination should be planned, developed and operated.

In business terms, where the concept of competitiveness receives significant attention, *sustainable competitiveness* must be taken into account. This means that a company or destination can not be considered competitive if it would not be able to maintain the available advantages in continuity. These companies which have a prolonged vision and operating often turn to investment, research and development, manufacturing innovation, staff retention, planning their career and so on. Similarly, this can be applied to tourist destinations.

A destination that is oriented only to short-term profit allows the destruction and looting of natural capital on which it depends and the tourism development is already doomed – seen in the long-term perspective. Some destinations may survive longer than others, but eventually the destination's ability to guide one to an always – demanding and to an always – consuming market will shrink to the level of non-competitiveness. But not only the natural capital must be sustained: all the elements of the primary attractions, the supportive factors and infrastructure must be constantly maintained and managed in a sustainable sense if the destination is striving towards economic and market competitiveness.

In the context of destination’s competitiveness, or its sustainability, in this sense the concept of Destination Management Planning - DMP can be mentioned.

This concept has emerged due to the extended gap that arose in some destinations – between what consumers expect and what they are being offered. The consumers conceive the destination as the sum of the products and services offered in a given region in an individual way. One of the most effective ways to bridge this gap is the use of coordinated efforts by all stakeholders, at all levels of the industry and governance structures, as already mentioned.

Thus, *Destination Management Planning is revealed as an effective mechanism for increasing cooperation and collaboration with the local industry and strengthen the partnerships with the regional economic development agencies / boards and educational and training performers.*

Supported by the UNWTO, the European Commission through the Action Plan for more Sustainable Development of European Tourism, declares: *“Many of the challenges set by sustainability, and the actions required, can best be addressed by the different stakeholders working together at a destination*
level. It is here that the needs of the environment, the local community and businesses come most closely together. It is much easier to take an integrated and holistic approach when working at this level. Furthermore, it is increasingly recognised that the concept of a 'destination', within which a wide range of facilities and activities together make up the complete experience, is critical in influencing consumer choice."

Development of a nationally consistent DMP framework will facilitate the government approach to tourism, allowing governments to more effectively identify and respond to changing needs for services, infrastructure, education and training throughout regions and facilitate local area and industry engagement with government programs and initiatives.

### 5.1. Concepts of Destination Management Planning

DMP is a management system that provides a tourism organisation with the tools to produce sustainable and competitive tourism in a destination. DMP is organised around defined visitor destinations, each with its own natural and unique tourism assets, and unique development, marketing, and management needs.

DMP is a step forward from traditional destination marketing roles and provides a more holistic and integrated approach to understanding the tourism potential of each destination, and the best methods of maximising that potential. Local DMP are developed after a comprehensive process of research within the destination, consultation, feedback, planning, and review. Destination Management Planning is defined as being inclusive of all of the practices and principles known as:

- **Destination Development Planning:** Critical assessment of the destination's tourism potential and monitoring of progress; Effective consultation and collaboration with all stakeholders; Focus on attracting investment and infrastructure projects; Workforce planning to generate local employment and to ensure that there are adequate workers to service demand; Long term tourism strategies to grow the industry.
- **Destination Marketing:** Ongoing research; Identifying and targeting the correct markets, including new and emerging markets; Raised awareness in the target market(s) of the qualities of the tourist destination; Increased visitation and yield.
- **Destination Management:** Protection of the natural and unique tourism assets of the destination; Ensuring quality visitor experiences; Industry leadership; Growing a unique and sustainable tourism industry within the destination.

The concepts of Destination Management Planning can be shown illustratively.
Fig. 1 Concepts of Destination Management Planning

- Destination Development Planning
  - Critical assessment of tourism potential
  - Consultation and collaboration
  - Investment and infrastructure

- Destination Marketing
  - Research
  - Target markets
  - Awareness
  - Visitation and yield

- Competitive Tourism Destination

- Destination Management
  - Protection of assets
  - Quality experiences
  - Sustainable growth
5.2. Destination Management Planning benefits

The potential benefits for destinations, communities, business operators and tourism agencies that can be achieved through an effective and nationally consistent approach to DMP include:

- Improved destination competitiveness
- Increased visitor satisfaction
- Economic, social and environmental sustainability
- Effective partnerships
- Continuous improvement

5.3. Key Characteristics of Destination Management Planning

Although it is recognised that no two destinations are the same, and that each destination or region will require those aspects of DMP that best suit its unique tourism assets and circumstances, the following points are provided to assist destinations in tailoring a DMPL that will ensure their sustainability and competitiveness.

The core of effective DMP is the commitment of all those that will be implicated in the outcomes of the DMPL, and involves them in the decision-making and implementation of the DMPL, including establishing a strategic vision and setting objectives that:

- Clearly contribute to achieving the vision;
- Are realistic, achievable and measurable, and are based on the best available information;
- Take a holistic and integrated approach to the broader social, environmental and economic development goals for the destination;
- Identify global forces that may have an impact on the destination;
- Include both short and medium-term activities, as well as long term planning;
- Deliver economic benefits: **tourism potential** – identifies the destination's key success factors, strengths of current tourism supply/demand, external factors and constraints, and opportunities for growth; **business operations** – improves potential for business operators (tourism and non-tourism) to improve profitability and operational efficiency; **local supply chains** – maximizes the proportion of tourism income that is retained locally; **employment** – improves the quality of jobs in tourism and how the sector is perceived as a career choice; enables **economic growth** in an area and, where relevant, assists in the restructuring and/or diversification of local economies; identifies and facilitates private-sector **tourism investment** opportunities within the destination.

- Align with community aspirations: manages the pressure of change in the interest of the overall well-being of the community. This may include managing: challenges to the quality of life for local residents; provision of infrastructure and public amenities; local residents' willingness to welcome visitors; responsible behavior by tourists towards local communities;
- Strengthen environmental management: contributes to the conservation and enhancement of natural and cultural heritage assets; identifies appropriate carrying capacities and visitor management plans; encourages energy and water-use efficiency; promotes and facilitates reduction, reuse and recycling of waste materials; seeks to minimize pollution, traffic congestion and litter; encourages responsible behavior by tourists towards the environment;
- Encourage innovation: Increases business productivity and efficiency; Drives economic growth;
- Facilitate collaboration: Enabling effective leadership and partnerships within which the different stakeholders can communicate and work together;
- Encourage and facilitate continual improvement (capacity building in the destination);
• Develop business operators' and destination managers' ability to anticipate and respond to risk and crisis;
• Encourage political will for an ongoing, progressive and innovative approach to tourism DMP.

6. The concept of Integrated Quality Management (IQM)

In order for the destinations to survive in the constantly expanding competitive market, one way of achieving that goal could be the orientation to improve the quality or the implementation of the strategy for Integrated Quality Management.

Concerning the right strategy, we find three keys to success: competitiveness, quality and environmental sustainability. When looking more closely at them we discover that they are one and the same things, seen from specific angles. Competitiveness can only be achieved through quality. Quality only exists when environmental sustainability is guaranteed. And sustainability comprises not only environmental aspects, but also social and economic concerns, thus also competitiveness.

However, tourism cannot be dealt with in the same way as a single product or service. Therefore, the above-qualified approach must be developed into an Integrated Quality Management (IQM). Its concept embraces the basic approach of Total Quality Management, but is broader and more flexible. It recognises that an organisation may have a wide range of objectives, and that it should approach them in an integrated way. For tourism and tourist destinations, we must go even further, since here not only one organisation is concerned, but a large number of stakeholders and groups.

6.1. Dimensions regarding IQM of tourist destinations

The following dimensions related to the IQM destinations can be taken into account:
• Tourists and their satisfaction;
• Tourism enterprises/entrepreneurs and their business;
• Employees in the tourism business;
• Business and activities in the local economy and society indirectly concerned, and the people working in them;
• Residential population;
• Environment.

Developing a strategy for integrated quality management calls for close co-operation between all public and private stakeholders – tour operators, enterprises, tourism boards, trade organisations and public authorities – this at all levels, local, regional, national, European and international.

6.2. Principles of IQM of tourist destinations

The successful implementation of IQM in tourist destinations requires the use of the following principles:
• Integration. Concern for quality and the management techniques aimed at achieving it, should be integrated into all tourism functions of the destination.
• Consumer orientation. Quality management is about getting close to the visitors, understanding their needs, and finding out whether these are being met.
• Distinctiveness. Visitors travel to experience something different, otherwise they may as well stay at home. Delivering quality should be about bringing out the special, distinctive features and flavours of the destination.
• **Authenticity.** Visitors are looking for genuine experience. Special heritage should be honoured and celebrated. It should be presented in a real way, which does not fabricate nor devalue its quality.

• **Market realism.** Quality management should be based on an informed and realistic assessment of the area’s potential in the market place, identifying its competitive strengths and ensuring they are not eroded.

• **Sustainability.** Many areas have fragile sites and communities sensitive to intrusion and congestion. However, visitors themselves are increasingly looking for unspoiled environments. Any destination seeking to deliver quality must be concerned with managing the impact of tourism.

• **Inclusiveness.** Destinations should not be content with delivering quality to a few people while delivering a mediocre experience to others. Good experience should be provided for all visitors, especially those with special needs.

• **Attention to detail.** Quality is about being creative but also taking care over the detail – providing enough information checking on facilities, providing extra services.

• **Rationalization.** Sometimes quality can be about not doing things. A small number of good initiatives and products are better than many poor ones. It is about stopping activities that are under-resourced and not delivering quality, or combining them into something stronger.

• **Partnership.** Quality management is about involving people. Working together is right in principle and also essential for success. The many small tourism enterprises, related organisations and community groups should all be involved together in delivering quality in the destination. Their well-being should be regularly checked.

• **Interdependence.** Special attention should be paid to the role of tourism in the destination as a whole. Quality tourism depends on, and in turn supports, many other activities.

• **Time.** Improving quality in a destination takes time. Success depends on planning for steady, achievable progress year on year rather than setting unrealistic targets.

• **Commitment.** A fundamental requirement of success is personal enthusiasm and commitment to achieving quality. Really successful destinations not only have individuals driven by this, but also a way of ensuring that it is spread to everyone.

• **Monitoring.** Quality management is all about regular monitoring and evaluation of impacts on the visitor, enterprises, the environment and the local community.

• **Communication.** Maximising flows of information to everyone involved in the destination is essential for success.

7. **Conclusion**

The contemporary global environment of the tourist market requires implementation of modern methods and techniques in the overall operation of the destinations. The creation of new alternative forms of tourism, as well as the development of new technologies and the changing consumer demand has led the destinations to change their way of working because of the risk to reduce their competitiveness and thus making the tourists to visit other "more exotic" places to meet their needs.

The quality of the tourist destination and integrated management is clearly linked to regional and spatial planning and developmental issues. Spatial planning of a destination, if it aims its economic, social and environmental development to be based on tourism, within its planning strategies it needs to incorporate sustainable tourism. That is necessary in order not to create excessive exploitation of tourism resources and the occurrence of a future risk for total disability for any tourist activity, because the environmental damages can be irreparable.

The given models represent only a small number of ways through which that goal can be achieved. It should be pointed out that each destination has its own specificity and uniqueness in every way.
Therefore, careful and proper approaches in deciding on what strategies and methods are the most appropriate for the destination and that should be performed, while also satisfying the interests of all parties involved. There exists a strategic dilemma among managers and decision makers about the development of destinations on whether product management or destination management should be considered. From the said above it can be concluded that the answer is managing the destination as a whole - that means not only creating quality products and services, specified and specialized for certain market segments in a given destination, but sustainable development, preserving the local resources, quality of residential lifestyle and quality satisfaction of tourist needs. The understanding of the destination as a complex system and as a set of activities and actors whose roles are intertwined and should be coordinated, represents a necessity in order to develop the right strategies for future long-term sustainable development.

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