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THE ROLE OF TOUR OPERATORS IN THE SUSTAINABLE TOURISM DEVELOPMENT-THE CASE OF THE TOURIST DESTINATION KOTOR

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Abstract

Responsibility for ensuring sustainable tourism is largely in the hands of all stakeholders in tourist destination of which extremely important are Tour Operators. Cooperation between companies that provide services to

the tourists and Tour Operators is significant, considering that Tour Operators are the central link in the distribution chain. Tour Operators as business partners, demand from hotel and other companies responsible environmental policy and creation of development plans, regardless of regulations, which oblige them to it. It improves the quality of products and leads to long-term conservation of natural resources and environmental protection. Tourism product that is not dangerous for the environment becomes a means of a differentiation in the touristic market and is expected from eco-conscious travel consumers. The aim of the paper is to show the role of Tour Operators as a one of most important destination stakeholders in the tourists destination sustainable supply chain. For the purpose of this paper we have used secondary data and primary research carried out by method of interview with managers in tourist destination Kotor. According to the results of primary and secondary research we have confirmed that Tour Operators Generalist as well as Tour Operator Specialist play important role in the tourist destination sustainable development and that they have to implement new strategies in their bussiness practice.

Key words: sustainable development, Tour Operators, touristic destination

1. INTRODUCTION

Business entities that offer new technological solutions in accordance with the preservation of the environment, health and improving the quality of life in practice are called "environmentally friendly business." Tourism product that is not dangerous for the environment becomes a means of differentiation in the tourism market and is expected from the eco-conscious travel consumers.

Responsibility for ensuring sustainable tourism is largely in the hands of all stakeholders in touristic destination of which extremely important are Tour Operators. About 50% of tourists who want to buy sustainable tourism product are individual tourists and about 50% of clients are using packages (Peng, T., 2005, p. 397-404). Cooperation between other companies in tourist destination and Tour Operators is significant, considering that Tour Operators are the main link in the distribution chain. Tour Operators as business partners demand from hotel companies responsible environmental policy and creation of development

plans, regardless of regulations, which oblige them to it. It improves the quality of products and leads to long-term conservation of natural resources and environmental protection. Tour Operators play important role in satisfying clients' requirements (Čavlek, N., 2000, p. 325) and have strong influence on tourists' behaviour (Čavlek, N., 1998, p. 217). The discrepancy between the large number of people and space can not pass without effect on the environment.

With the overall environment in which tourist are resting, culture, health, safety and ecology are now one of the determining factors underlying the contemporary tourist flows. Consumers are becoming more aware and more critical to the phenomena that surrounds us. The issue of environmental protection is becoming an integral part of living of environmentally conscious citizens who expects tourist product to meet the standards of "extra" quality that relates to compliance with environmental standards. The aim of the paper is to examine the importance of sustainable development strategies implementation in Tour Operators business practice in tourist destination Kotor.

2. The Destination Sustainable Supply Chain

In recent years the area of Supply Chain Management (SCM) has become very popular. Supply chain management is defined as the systematic, strategic coordination of traditional business functions and the tactics across these businesses within the supply chain, for the purpose of improving the long-term performance of individual companies and supply chain as a whole (Mentzer et al., 2001., p. 18).

The concept of sustainable development includes businesses interaction with the local residents and businesses which take an active role in such a way that protects the environment. When the international community in Rio de Janeiro in 1992. adopted the Declaration on the Environment in accordance with the principles of sustainable development it has become clear that sustainability means long-term changes in technology and the adaptation of an existing technology may not be satisfactory. Eco-innovation has become necessary to improve environmental performances (Rennings, K., Ziegler, A., Ankele, K. & Hoffman, E., 2006, p. 45)

Among the most important instruments in implementing the environmental policy is EMS (Environmental Management System) and EMAS (Environment Management Auditing Scheme). Implementation of EMS improves environmental quality and reduce costs, and indirectly stimulates product innovation in the direction of environmentally friendly products and services. An important role also has implementation of environmental management systems according to ISO 14001 standard. At the same time very important factor is cooperation between Tour Operators, hotels, environmental organizations, industry sector and governmental organizations (Chan, W. & Ho, K., 2006, p.

306-306). This is supported by research conducted in Croatian hotels. The results of the research show that hotel managers consider implementation of environmental management systems according to the standard 14001 as a significant factor for realizing business cooperation between Tour Operators and hotels (Dragicevic, M., Krzelj-Colovic, Z., Letunic, S., 2010).

As an example of good business practices can be taken Tour Operator TUI, which collaborates with various national and international organizations, encouraging and promoting a policy of sustainable development. At the First International Conference of the World Tourism Organization (UNWTO) in 2003, which referred to climate change (www.tec-conseil.com, accessed, 4.06.2013.), TUI has presented its own measures that could positively affect climate change. The measures were related to reduction of CO₂ emissions, and included all the stakeholders in the tourism supply chain. By accepting the implementation of various quality standards hotel companies and business partners could have a significant impact on increasing product quality, customer safety and environmental protection. TUI is also the owner of hotels in Germany, Spain, Egypt, Turkey and the Caribbean Islands who have implemented the ISO 14001 standard. (www.tui-group.com, accessed 15.01. 2012.).

In a study of package-holiday users, carried out by ABTA in February 2001., respondents were asked to answer a question about harmful impact on the environment. The responses show that respondents considered important that their holidays do not negatively impact on environment. Even 40% of respondents believe that it is very important, 45% fairly important, 10% thinks that it is not very important and 3% said it is not important at all. In the same survey 81% of respondents expressed that they are willing to pay financial compensation to guarantee this. (www.Maltatourismauthority.com., accessed 22.12.2008). Čavlek states that the analysis of research including German tourists shows that 57% of respondents have noticed serious damage to the natural surroundings, while 49% said that this experience will be kept in mind before making a decision about destination (Čavlek, N., 1993., p. 153). Also, over 80% of respondents involved in research in the UK said that just Tour Operators have responsibility to protect the environment and culture to ensure that local community benefits from tourism. The same respondents would prefer to buy package that is created by company taking care of responsible development. The Tearfund reported (2000) that 55% of consumers believe that travel agents are obliged to provide information on the responsibilities of the tourism industry, while 48% of consumers believe it is Tour Operators' obligation. Buying a package-tour organized by a company that has a written code of conduct to guarantee good working conditions, environmental protection and supports the benefit of the local tourist destination is becoming increasingly important in the modern tourism market (Dodds, R. & Joppe, M., 2005) This is proved by research conducted by Goodwin and Francis (2003, p.271-284). Research results are presented in Table 1.

Table 1 .
The influence of ethics on the travel decision making (for tourists who travel in package-tours and individuals)

<i>Influence</i>	1999.(u%)	2001.(%)
Yes	45	52
Doe not influence	42	33
Do not know	13	15

Goodwin H., Francis J. (2003). Ethical and responsible tourism: Consumer trends. UK. Journal of Vacation Marketing, 9, 3, p. 271-284.

Practice and effort of renowned leading European tour operators TUI and Thomson, for instance, shows that large Tour Operators are the main force that can change the practice of other market participants. These Tour Operators as their business partners choose just those hotels that take care of environment protection. Tour Operators enhance control policies not only in terms of quality control and service standards, but increasingly in the direction of compliance with environmental and health conditions. For example, in the TUI brochures that promote their products there are those hotels that do not disturb the harmony of the environment.

TUI is also the first Tour Operator in the world to set up its own Department of Environmental Protection in 1990. and one of the founders of Tour Operators Initiative for Sustainable Development of Tourism (Tour Operators Initiative for Sustainable Tourism Development) within the United Nations Environment Programme, UNEP. TUI makes efforts in terms of promoting sustainable tourism, but there are certain repercussions in the tourist destinations that are involved in its programs. British tour operator Thomson also follows the practice of TUI, which promotes the protection of the environment in the destinations in which they bring their clients. Thomson in 1990. released a program called "World Aware", which contains two separate recommendations. The first are for the hotel managers and other participants who provide services and second are for tourists who are asked to develop and enhance their own initiative to protect the environment and to behave in accordance with the principles of environmental protection. Part of the program called "behaviour" was intended for those who have realized business agreements with Thomson in Greece, Spain, Portugal and Italy. In the second part, the tourists were also asked to examine their behavior. This is related to rational use of water, electricity, respect animals, plants, etc. (Čavlek, N., 2002). Association of Independent Tour Operators relies on the

certification and on sustainable tourism as a result of the experience of tourists and benefits to the local community (Font, X., Tapper, R., Schwartz, K., Kornilaki, M., 2008, p. 269).

3. The results of the empirical research carried out in the touristic destination Kotor, Montenegro

3.1. Research Methodology

For the purposes of empirical research we have conducted a semi-structured interviews including the sample of 20 subjects in the tourist destination Kotor. The respondents were managers or experts in the field of tourism. Major part of them, 6 managers, was employed in hotels, 4 in travel agencies, 2 in transport services, 4 in private accomodation, 2 in restaurants and 2 were managing cultural attractions. Respondents were asked 20 questions. General questions were related to the form of business ownership, education of patients, profession, years of service and age. Respondents were asked questions about implementation of sustainable development in the business practice. The managers also responded to questions refering to the environmental awareness of the stakeholders in the destination suply chain. Furthermore, questions were related to the cooperation of stakeholders. In formulating and presenting the results of empirical studies we have used methods of descriptive and inferential statistics (based on chi-square testing, $\alpha=0,05$).

3.2. The results of research

Analyzing the position of managers who participated in the study it can be concluded that 90% of respondents managers are directors and company managers, while 10% of respondents are an assistant director. Therefore, it is evident that the company directors and managers were willing to participate in the study and showed interest in the research of this type. The share of 25% belongs to the managers who are between 26-30 year old, 25% of them are from 31-35, 20% have between 36-40, 25% from 41-45 and only 5% are managers older than 51. Analyzing the working experience of managers in the tourist destination of Kotor, one can conclude that the majority of respondents (30%) have from 6 to 10 years of working experience, 25% of respondents have up to 5 years and 25% from 11-25 years. With the share of 10% are represented managers who have from 16 to 20 years of working experience and from 21-30 years of working experience.

Table 2.

Working experience of managers

Working experience	Number of managers	%
Up to 5	5	25
6-10	6	30
11-15	5	25
16-20	2	10
21-25	1	5
26-30	1	5
31-35	-	-
36 and more	-	-
Total	20	100

Source: author's own

The largest number of respondents (85%) have university diploma, and 15% of respondents had master or doctorate degree.

According to the opinion of respondents it can be concluded that the companies with highly educated managers, 20% of them, have formally implemented sustainable development strategy, it informally exists in 50% of companies, but in 30% of companies the sustainable development strategy does not exist. Chi-square testing of independence, $\alpha = 0.05$ (empirical value of $\chi^2 = 0.6079$ and χ^2 table value = 5.99) shows that there is no correlation between managers educational level and the existence of a strategy for sustainable development as visible via table 3.

Table 3.

Educational level of managers and implementation the strategy of sustainable development

Strategy Education	Formaly exists	%	Informaly exists	%	Does not exists	%
Ph. D., M.Sc.	1	5	1	5	1	5
High	3	15	9	45	5	25
Higher	-	-	-	-	-	-
Secondary school	-	-	-	-	-	-
Total	4	20	10	50	6	30

Source: author's own

The significant share of the respondents (45%) who participated in the study showed a high level of awareness about the concept of sustainable development, but also it should be noted that 55% are moderately informed. The above results show that managers are aware that responsibility towards the environment brings many benefits not only to companis, but also to the local community. However, the above indicates the need to improve the awareness of one part of managers that are moderately informed about importance of sustainable development principles implementation. According to the results of the research, it is visible that moderately informed are young managers.

Table 4.

Importance level of the sustainable strategy implementation and real existence

Strategy implementation \ Importance	Formaly exists	%	Unformaly exists	%	Does not exists	%
Very important	4	20	5	25	1	5
Important	-		5	25	5	25
Moderately important	-	-	-	-	-	-
Has small significance	-	-	-	-	-	-
It is completely insignificant	-	-	-	-	-	-
Total	4	20	10	50	6	30

Source: author's own

The above data shows that 70% of the companies has implemented some type of sustainable development strategy, but in a formal form it exists only in 20% of enterprises. The 45% of managers consider it extremely important, and 25% think it is significant. Similarly, in 30% of companies that were involved in the research strategy of sustainable development does not exist, even though these managers believe it is important. The above leads to the conclusion that it is necessary to encourage the implementation in companies that have not

introduced the strategy of sustainable development in their business practice. If we analyze the attitudes of managers according to the criterion of branches it is interesting to see that majority of managers in hotels consider that implementation of the strategy of sustainable development is very important. The same is the fact with managers in travel agencies.

According to the data in Table 5. it is evident that the largest number of managers (47%) consider benefits of sustainable development refer to a better image of the tourism market, then a positive impact on the environment (22%), and improving competitive advantage on the market (19%). According to the results of the research the lowest number of responses (11%) refers to the introduction of eco-innovation through new and recycled products.

Table 5.

Main advantages of sustainable business practice

Advantages	Responses	%
Better image	17	48
Gaining better competitive edge	7	19
Initiates the innovations and recycling usement	4	11
Positive influence on the environment	8	22
Total	36	100

Source: author's own

Table 6.

Implementation of the Environmental Managing Systems (Systems (ISO 14001 and similar)

Implementation of the Environmental Managing	Responses	%
Enterprises with the Environmental Managing System	1	5
Enterprises without Environmental Managing System	12	60
Enterprises which are in the process of implementation	1	5
Enterprises which are planning implementation	6	30
Total	20	100

Source: author's own

The largest share of 60%, represents responses of managers who have not implemented the Environmental Management System. Even more, only 5% of companies, have implemented some of the Environmental Management System. According to the results of the research, 30% of managers plan to introduce Environmental Management System in the near future, what is encouraging.

Table 7.

The managers' attitudes towards advantages of cooperation between
Tour Operators and other stakeholders in the tourism destination supply
chain

Attitudes	Responses	%
Better opportunities for positioning products/services on the tourist market	18	72
It is easier to make business	6	24
Lower costs	1	4
Total	25	100

Source: author's own

According to the results of the research which refer to the attitudes of managers towards benefits that brings cooperation with Tour Operators, it is visible that 72% of responses refer to the greater opportunities for better positioning on the tourist market.

The results of the primary research show that 90% of companies in the tourism destination chain cooperate with Tour Operators and only 10% of them does not have any cooperation with Tour Operators. However, it is important to note that these managers believe that the implementation of the principles of sustainable development in the companies is important or very important. The cooperation with Tour Operators is good or very good in 55% companies that have implemented the principles of sustainable development in there business practice and that consider it is important. The rest of 35% of companies that have have cooperate with Tour Operators in a small measure. None of the participants

in companies that cooperate with Tour Operators consider that the introduction of the concept of sustainable development into business practices is not significant. The following table 8. presents the results of the research which refer to the attitudes of respondents towards the importance of sustainable development principles implementation in the business practice of Tour Operators Specialists and Generalist.

Tour Operators Specialists are smaller Tour Operators, focused on market niche. Cavlek cites (1998) that Tour Operators Specialist can be grouped according to the following criteria:

- The content of the product (specialists offer activities on holidays, e.g. hobbies, activities as the main content)
- Applying the geographic criterion (specialists in particular touristic destination)
- According to sociodemographic criteria (specialists in certain age groups, singles, etc.)

Table 8.

Importance of implementation principles of sustainable business practice for Mass Tour Operators and Tour Operator Specialist

Importance	Number of managers	%
Important for Tour Operators generalist	3	15
Important for Tour Operators specialist	1	5
Important and for Generalists and Specialists	16	80
Total	20	100

Source: author's own

According to the results via Table 8. it is visible that the largest number of respondents (80%) consider that the strategy of sustainable development is important for Tour Operator Specialists and Tour Operators Generalists, 15%

thinks it is significant only for Tour Operators Generalists and only 5% think it is important only for Specialists. It is evident that the majority of respondents is aware of the importance of implementing the principles of sustainable development in Mass Tour Operators business practice as well as in Tour Operator Specialists business practice. Managers believe that the damages caused by Tour Operators which do not care about socially responsible behavior are primarily connected to the destruction of natural beauty and with lower level of live quality of local people.

Table 9.

The damages caused by Tour Operators

Damages	Responses	%
Destroying natural beauty	16	59
Mass of tourists that has influence on lower standard of local inhabitants living	8	29
Unknown	3	12
Total	27	100

Source: author's own

The small number of managers (10%) believe that Tour Operators are responsible for harmful effects on the environment and realization of a package-tours that can greatly influence the balance of eco-system. With a share of 15% are represented the managers who think that the business of Tour Operators can not cause environmental damage. Studies conducted in the world also indicate the responsibility of Tour Operators in relation to the environment. For example, research conducted in Great Britain shows that over 80% of respondents feel that just Tour Operators are responsible for the preservation of the environment ([www. responsibletravel.com](http://www.responsibletravel.com), accessed 12. 5. 2009).

Table 10.

Tour Operators and other stakeholders
responsibility in arising the level of tourists' ecological awareness

Attitudes of managers	Number of managers	%
Responsible are Tour Operators	6	30
Responsible are all stakeholders	14	70
Total	20	100

Source: author's own

Data analysis leads to the conclusion that 30% of managers believe that Tour Operators are responsible for raising the environmental awareness of tourists while 70% of managers believe that it is responsibility of all stakeholders in the touristic destination Kotor.

4. CONCLUSION

The implementation of principles of sustainable development is very important factor for all participants cooperation in touristic destination supply chain. There are example of good business practices such is the case of Tour Operator TUI which collaborates with various national and international organizations and other business partners such as clients to support and develop a policy of sustainable development. The holidays organized by a company that has written code of conduct guarantee good working conditions, environmental protection and the benefits for the local community, tourists and all other stakeholders in the touristic destination. It is necessary to educate the managers about the benefits and necessity of implementing the principles of sustainable development and socially responsible behaviour. The implementation of sustainable business practice brings significant benefits to the Tour Operators,

such as better image and improvement of competitive edge. The damage caused by Tour Operators which do not take care about socially responsible behaviour is primarily reflected in the destruction of natural beauty as well as in the lower of local people lives quality. This refers to the Tour Operators Generalist and Tour Operator Specialist, because both can cause different environmental damages. For raising the environmental awareness of tourists responsible are Tour Operators who create package-tour and all other stakeholders in touristic destination. The implementation of sustainable development principles is important not only for realizing business cooperation with hotels as the most important business partners, but also and with the all other stakeholders in the touristic destination Kotor.

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