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Introduction

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Tourism will continue growing in the foreseeable future. Although this may be positive news for tourism businesses, the future of tourism needs to go beyond mere numbers, putting the focus on qualitative issues such as sustainability and wellbeing instead of overnights or money spent.

Moreover, modern societies are arguably moving towards a new paradigm in which the preference for intangible experiences over tangible possessions is growing, and therefore experientialism will overtake materialism in people’s pursuit of happiness. As qualities and intangibilities begin to dominate the market, tourism businesses and destinations will have to be rethought so that both tourists and local communities take a prominent role in the development of tourism.

At the same time, we can also draw attention to the transformational power that tourism exerts in destinations. This power can be observed through the emergence of overtourism or tourismphilia, but it can also be seen in the wide range of untouched destinations willing to attract tourism.

All these transformations are part of the daily life of destinations, businesses and residents nowadays, and clear examples can be found in the surroundings of the conference location. From massively popular Barcelona, to the mature coastal region of the Costa Brava, and the dynamic rural tourism of the Pyrenees.

These transformations open up many new paths and opportunities to be explored by both academics and practitioners.
Managing overtourism from the paradigm of Smart Tourist Destinations

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The huge increase in the tourist influx to cities has placed overtourism at the centre of the academic and professional debate. Overtourism is a phenomenon associated with a high number of visitors, but also with the perceptions of congestion/tourist saturation that it arouses. The use of the term becomes widespread during the years 2017 and 2018, when the first documents promoted by international institutions on the subject are published (Dichter and Gloria, 2017; European Cities Marketing, 2018; Peeters et al., 2018; UNWTO, 2018), as well as the first research works (Koens, Postma and Papp, 2018; Milano, 2018; Milano, Novelli and Cheer, 2018). In line with the concept of tourist carrying capacity, the definitions of overtourism stress the impact of tourism on a destination or part of it. This impact negatively influences the quality of life perceived by residents and/or the quality of visitor experience (Goodwin, 2017; UNWTO, 2018).

The growing concern about the phenomenon in certain areas means that the management of overtourism has become an important part of the local political agenda. This is also happening in a context of changing cycles in public tourism policies. There has been a shift from a cycle based on the logic of tourism growth (very much conditioned by the recent economic crisis in Spain) to a new cycle in which measures to control tourism are increasingly frequent. Tourism is no longer seen as an opportunity for the city; in fact, a new discourse is consolidated around the problems it generates. Measures are beginning to be designed and implemented to minimise or attenuate the impact of the growing tourist influx, both physically (management of flows in public spaces) and socio-economically (regulation of accommodation activities, zoning of tourist uses, activity licences, etc.).

In this scenario, new paradigms in the planning and management of urban spaces based on knowledge, technology and innovation converge. In Spain, these new approaches are promoted by public programmes for the development of smart cities and destinations that present two approaches: one linked to technological policy (which promotes measures for the transition towards smart cities and territories), and the other related to tourism policy and focused on the so-called Smart Tourist Destinations. Therefore, there are already many potential solutions and public and private stakeholders promoting the use of technology in tourist destinations. However, it is not clear which are the main priority areas, which solutions provide more value, which technologies already work and can be used successfully on a local scale (EXCELTUR, 2019), and more specifically, which solutions can favour the correct management of overtourism.
In this context, the present study aims to analyze the level of implementation of smart solutions in several Spanish urban destinations suffering from problems of overtourism. The research is based on a first phase of documentary analysis. This phase has allowed the compilation of smart or technological solutions useful for tourist overcrowding management at three levels: 1) the discourse of official organizations and other institutions that, either at international or national scale, contribute to generating opinion on the subject; 2) the comparative referent of initiatives developed in other European cities with problems of tourist overload; and 3) The technological solutions collected in the applications for public calls. In a second phase, this information is complemented with semi-structured interviews with those responsible for the implementation of the Smart Tourist Destinations Project or the Smart City Strategy in four important Spanish urban tourism destinations: Madrid, Donostia-San Sebastián, Valencia and Málaga.

In the last two years, a number of institutional documents have been published both nationally and internationally with cross-references between overtourism and technological solutions. There are approaches regarding the role of ICT as allies to control or reduce the effects of overtourism in urban destinations that are generally very optimistic (UNWTO, 2018; European Cities Marketing, 2018). The range of technological solutions seems wide; for example, in the public calls (“Smart Cities and Islands” and Smart Tourist Destinations of "Smart Territories"), funding is requested for the following technological developments applied to tourism: web, mobile application, 3D models of elements of tourist interest, interactive totem, universal travel planner, urban screen management software; open wi-fi network, technological surveillance and competitive intelligence, social networks, QR codes, online guide, Integrated Management System for tourism, Smart Destination Management platform, data collection system for carrying out surveys, multimedia digital signage, beacons, tourist information office XXI century, Open Data, sensorization, intelligent parking system, beach monitoring system, citizen card for tourists, intelligent analysis system of tourist data, between others.

In opposition to this wide range of possibilities, the solutions adopted in the destination are still limited. In fact, the level of development of technological solutions applied to tourism is still low in the four cities studied, even though the "smart component" is present to some extent in their urban policy. San Sebastián, Valencia and Málaga, for example, have some kind of document that guides the smart city strategy. The four cities have developed different smart city projects (in very different fields: sustainable mobility, energy efficiency,...) and San Sebastián and Málaga also are part of SEGITTUR's Smart Tourist Destinations Programme.

In general, the managers interviewed refer to a more or less recurrent and limited set of technological work axes with a tourism dimension: digitalisation of the information office, web, destination apps, chatbots, beacons, incipient destination intelligence systems (from traditional tourist observatories to the integration of sensorization data on platforms) and a commitment to digital marketing with special emphasis on the use of social networks. ‘Turismo de San Sebastián’ is specifically working on the implementation of a digital environment for the Tourist Office (touch screen, printing of tourist maps...). In addition, its efforts are directed to web management as the main communication channel (responsive design, translations, creation of contents differentiated by language/channel). They consider themselves very active in social networks and start working on chatbots. They are also preparing a pedestrian signage project to which they will incorporate beacons; and have their own ticketing tool that allows them to market external services of associated companies via commission with guaranteed purchase through the web. Finally, they are developing a Programme of Good Practices in the use of ICTs with associated companies in the sector. Although the level of own data development is scarce in this city,
'Fomento de San Sebastián' has been installing sensors in almost all its projects. In the SMART KALEA project, for example, counting/tracking devices that monitor and count the passage of several streets –as the Calle Mayor, in the Old Town, the area with the highest tourist traffic– have been installed.

In 'Madrid Destino', on their behalf, they consider themselves technological pioneers. They apply technological developments in the four strategic axes of the entity's Action Plan: improvement of tourist services, sustainability, accessibility and external promotion campaigns. They are especially active in actions related to the digitalisation of the tourist information office. In 2015 they implemented the SAGAT (Advanced System for the Management of Tourist Activity), which works to optimise: a) the visitor information service; b) the management of the stock of information material; and c) the processing of data generated by queries to the system.

Malaga, which does not have a Smart Tourist Destinations strategy yet, is developing some technological solutions within the framework of various city council programmes. For example, the digitization of the Tourist Office with EDUSI El Perchel-Lagunillas funds is in operation. In addition, in November 2018 they received a smart tourism prize in the accessibility category (first edition of the European Commission's European Capital of Smart Tourism 2019 competition). Among other aspects, it was recognised that Malaga had an inventory of accessible points in the city, a tourist information chatbot ("Victoria la Malagueña"), the correct treatment of public space and a high degree of accessibility in municipal buildings, beaches, public transport, etc. The city is also planning to locate beacons in the signage that can be used as flow meters; and is developing a European project called ALTER ECO based on the development of an application that, from telephony data, accounts for tourist flows in the streets of the historic centre.

Finally, Valencia carries out actions related to augmented reality, the virtual tourist office and marketing throughout the entire cycle of the trip. They have implemented the Tourist card, interactive totems, the App Valencia (with tourist and citizen profiles) and free wi-fi in public spaces. A CRM (Customer Relationship marketing) and a Tourism Intelligence System (TIS) are also being created. The TIS aims to generate information for entrepreneurs (with access only for partners) and consists of two scorecards. However, the great challenge for Valencia lies in the convergence between tourism management (TurismoValencia) and the City Council's ICT Service and in the use of common tools such as the Geoportal, the City App, the open data portal and the development of the Tourism CRM.

Among all this set of technological solutions, there is hardly any reference to applications linked to the management of tourist saturation. At a very early stage, the projects still focus only on monitoring and data collection for decision making and for a potential real-time management of visitor flows. The scarce concern for the 'smart management of overtourism' in these four cities with incipient symptoms, but evident of punctual tourist overload, is very related to the scarce perception of problems of tourist overload that the interviewed managers have. In fact, references to tourism overload problems, increased visitor flows or negative impacts of tourism are also very weakly present in the tourism planning documents of the four cities. There is, therefore, an important gap between the DTI approaches, the level of implementation of intelligent solutions and their operability in relation to the management of tourism saturation on an urban scale, in contexts of relative social response to the phenomenon, as is the case of Madrid.
Bibliography


World Heritage Brand Personality

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Even though UNESCO world heritage sites leverage inherent qualities of outstanding universal values that are adequate for constructing a competitive brand personality in tourism marketing, investigating their visitors’ perceived latent meanings relating to the brand personality concept have not been analysed yet. This study aims to explore the symbolic attributes of world heritage from visitor driven approach, and provide generic and reliable findings by extending the brand anthropomorphism notion to the world heritage area. Moreover, considering world heritage sites are prominent motivators for visit to destinations, this study aims also to explore the potential implications of brand personality construct on destination attractions.

In the last two decades UNESCO world heritage has been conceptualized as a unique tourism brand beyond its primary goals (Drost, 1996; Ryan & Silvanato, 2014). Although world heritage has received considerable attention to explore its brand equity on visitors’ preferences, the existing literature that captured it as a magnetic tourism brand, have discrepancies when explaining the world heritage’s reliable and valid effects on tourism marketing (Buckley, 2018). The potential impacts of being a designated site on visitors’ preference literature, which focused on several customer or organizational tourism perspectives have conceptual ambiguities (Adie, Hall, & Prayag, 2017; Marcotte & Bourdeau, 2012).

In clarifying the ambiguities in literature related to world heritage, some conducted studies are considered individual case-study-oriented, subjected to implicitly different ratifying goals and limited to comprise the different sophisticated socioeconomic aspects, which influence the visitor stimulus in conjunction with the world heritage. These mentioned aspects may partially explain the dissimilarities in conclusions when measuring the world heritage intangible brand associations (Kim, Oh, Lee, & Lee, 2018; King & Halpenny, 2014; Ribaudo & Figini, 2017; Yang, Xue, & Jones, 2019).

In the competitively dynamic marketing, the idea of attributing personality characteristics and measures to corporate or product brands or simply the brand anthropomorphism have received prominent attention (Plummer Joseph, 1985). Even though the brand personification has noticeable marketing implications, its complexity lays upon the sophisticated empirical and theoretical approaches to formulate personality traits and transforming these qualitative data to desired enumerated figures, formulating factorial personality dimensions statistically to differentiate among brands. Consequently, the semantic differentiation scale was initially adopted in marketing to quantify brands attributes, however, the trait constructions reliability and validity were not addressed, it has been acknowledged (Sirgy, 1986).

In advances, since 1997, the brand personality has been conceptualized by Aaker’s (1997) to provide a reliable and valid measure for brands. Although, the concept aspects such as definitions (Azoulay & Kapferer, 2003), cross-cultural dimensional variances (Aaker, Benet-Martinez Veronica, & Jordi, 2001; Rojas-Méndez, Kannan, & Ruci, 2019), and scale measurements (Geuens, Weijters, & De Wulf, 2009) have been academically
argued, these issues require more empirical efforts to robustly enhance the understanding of brand personality principle. Originally, Aaker’s brand personality measure has emerged from the human psychology’s Big Five Factors (McCrae & John, 1992) through factor analyses. Even though some studies provided alternative measures developed from other theories such as the signalling theory (Davies et al., 2018), Aaker’s model is largely extended to tourism marketing. Specifically, Aaker’s measure has been utilized to identify cities, places, and destinations personality dimensions (Shankar, 2018). As the brand personality salience is acknowledged, this study applied the brand personality model conceptualized by Aaker as a viable mean to explore the personality dimensions of world heritage.

Empirically, content analysis and lexical approaches are employed to analyse user-contributed reviews (n = 1895 world heritage reviews) from TripAdvisor for all Spanish cultural world heritage sites (s = 41 sites), including visitors’ reviews from 2009 until 2018. Deductively, this study adopted Aaker’s (1997) brand personality measure of five dimensions (namely; sincerity, excitement, sophistication, competence and ruggedness). At the current stage of this study, the trait items of personality dimensions were adopted from Pitt, L. F., et al (2007; 2017), the authors constructed 833 trait synonyms representative of Aaker’s five factors to explore countries tourism websites and brand communities’ personality dimensions.

In results, this study employed MAXQDA Analytic Pro 2018, which allows both lexical and content analyses (MAXQDictio). The data have been manually coded and the text pre-processing is refined (Denny & Spirling, 2017) through an active learning approach (Wiedemann, 2018) to easy the interpretation and detect the occurrence of personality dimension pattern based on the categories attributed by the brand personality model through trait items. Primarily, the result explored that the world heritage personality dimensions are highly attributed by visitors in respect of sincerity, sophistication, and excitement dimensions, with less focus on the competence and infrequently described by the ruggedness factor (Fig.1).

![Figure 1: World Heritage Personality Dimensions of Spanish Cultural heritage sites](image-url)
To conclude, firstly, this study extends and confirms the applicability of brand personality concept to measure the personality dimensions of destination attractions, specifically world heritage sites personality. Secondly, it provides initially a generic primary description for the world heritage visitors’ perceived latent attributes through the brand personality measure, because the data represents various chronological and thematic cultural aspects of significant number of world heritage sites, which are located in different tourism interrelated social-economic contexts. Thirdly, however, the reviews’ language is English, which is one of the study limitations, the reviewers are of multi-global countries, which reduces specific marketing segments bias effects on the findings. On the managerial perspective, tourism marketers can effectively position world heritage sites in their advertising campaigns on the most visitor-desired identified personality characteristics of world heritage, and prioritizing them in term of sincerity, sophistication and excitement dimensions.

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Ecuador as a tourist destination historically stands out for the position of the Galapagos Islands; World Natural Heritage by Unesco and biosphere reserve; place where Charles Darwin developed his theory on the evolution of the species. Ecuador’s tourist offer is based on its natural benefits due to four main regions (insular, coastal, Andean and Amazonian) and all the microclimates that can be found in a space of 283,560 KM2. This is why different types of tourism could been practiced in the country; letting Ecuador to win for five consecutive times (2013-2017) the World Travel Awards, in the category: "Leading Green Destination of the World". During 2018, it received 2.4 million people with a growth of 11%, of which 1.078 million arrived by air; representing a growth of 16% only in air transport vs. the previous year.

The increasingly frequent studies on overtourism and the sustainability of destinations remind us that the number of visitors is not synonymous with success and development. Given the subjectivity of the terms, we are still in debate about the new indicators that should reflect the global evolution of each destination. However, the various national tourism plans, set the tone to attract a segment of tourists who do not overcrowd and in return leave a higher per capita income, balancing the income they receive today from the industry.

Transportation is an imperative element of tourism; as can be seen in the definitions cited below:

"Tourism is a social phenomenon that consists in the voluntary and temporary displacement of individuals or groups of people who, fundamentally for reasons of recreation, rest, culture or health, move from one place of habitual residence to another in which they do not exercise any lucrative activity or remunerated, generating multiple interrelations of extreme economic and cultural importance " (Padilla, 1997)

"An open system, of five elements, interacting in a wide environment. Being these elements: a dynamic one, the tourist; three geographic: the generating region, the transit route and the destination region, and an economic element, the tourism industry " (Leiper, 1979)

"Tourism is a social, cultural and economic phenomenon related to the movement of people to places that are outside their usual place of residence for personal or business / professional reasons." (UNWTO, 2019)

The historical development of tourism, made it pass from an elitist character, to be benefited by the appearance of the machine, which gave the human being a greater amount of free time and the option of new way of transportation; to popularize and derive in mass tourism. Thanks to the existence of the railway, Thomas Cook, could make the first organized trip recognized academically. Since then, tourist transportation could been classified based on the element in which it operates. In the terrestrial transportation, the bus, railway and even car rental have stood out. In water transport, sailboats, cruisers, catamarans, etc; had been generated. In air transport, going through the zeppelin, airplanes and helicopters. The techno science has generated that the human being over
passes the planetary limits, giving rise to the space transport, which is in its initial stage and will surely mark a new tourist frontier.

Air travel specifically marks the start of modern group travel. At the end of the Second World War, it used surplus aircraft and the aeronautical infrastructure built during the war period. During 07 years, between 1958 and 1965 it showed its potential for human mobilization, generating an increase of 10 times the number of tourists during the aforementioned period; facilitating the arrival to places, which for the time of transfer that it implied were considered inaccessible by the main emitting groups of tourists.

In the constant bidding of the natural laws of the economy, airlines have aircrafts that incessantly increase their capacity to transport more people in less time with cheaper daily passages. Marketing showed airlines the importance of promoting destinations to stimulate the fullness of their airplanes; it gives them the alternative of entering the tourist intermediation industry with organized trips including the rental of the entire plane (charter) and alternatives for commercial optimization through the development of revenue management or the reduction and almost elimination of the so-called first class cabins. Due to their capacity for tourism empowerment, airlines had influenced political decisions that encourage the use of air transport through tourism seasonality, staggered work holidays, rethinking school schedules, currency changes, and entry and exit facilities of a country. Ending with the creation and modification of specific infrastructure for their operations and urban planning proposals for the construction of a greater number of hotel rooms that accommodate travelers. Commercial aviation has influenced the growth of the number of tourists transported, becoming one of the recognized causes of overtourism.

As Bayley describes in 2008:

"Within a generation, what was once a privileged and romantic adventure has become a humiliating test ... no other experience in contemporary life requires that an individual renounce his independence and suffer a regimentation as sad and heartbreaking as traveling by plane. ... who has become a horrible, inhuman air travel culture "

This situation leaves every day more unsatisfied and unattended market segment that is the most demanded by the destinations. As shown by the trend of the New Zealand luxury catalog or the round table of the Summit Barcelona called: "Tourism of Quality vs Tourism Massification: The big cities of the Mediterranean against the tourist phenomenon of the 21st century"; without entering into the conceptual debate of quality tourism. The market of the so-called HNWI and UHNWI\(^1\): whose purchasing power allows them to access new air transport alternatives; has given way to the increase of general or private aviation.

During the government of former President Rafael Correa Delgado, on September 7, 2007, in Ecuador, the implementation of the National Plan for the Modernization of the Airport System would begin; which, according to the explanation of Mario Paredes, then Undersecretary of Civil Aeronautic Transport, was saw as a priority to promote productive

\(^1\) According to Professor Daniel Raventós ("The material conditions of freedom", Ed. El Viejo Topo, 2007), Merryl-Lynch and Capgemini (MLC) "dedicated to the provision of consulting, technology and outsourcing services" establish definitions on the enriched ones of those who will inform. Some are designated HNWI by the acronym High Net Worth Individuals; that is, individuals of high net worth; to others he calls them UHNWI (the "U" goes by ultra). The first are those that have assets in excess of one million dollars, excluding first residence, consumables, collectable goods and durable consumer goods. For the UHNWI, the level rises to 30 million dollars. (Marín, 2010)
development, tourism and internal and external connectivity. After eight years and an approximate investment of USD 364 million, it benefited non-concessioned public administration airports: (Littoral Region) Manta, Salinas, Esmeraldas; (Andean region) Cotopaxi, Loja; (Amazon region) Lago Agrio, Morona Santiago, Taisha; (insular region or Galápagos) San Cristóbal and Baltra, as the first ecological airport in the world that would later pass into the hands of a concessionaire. In addition to this, it created two new airports: the first in Santa Rosa, near the town of Machala located in the coastal south of Ecuador; and the second the airport of Tena, near the city with the same name located in the Amazonian north of the country. This project ended having 12 airports equipped with a renewed operational security, air navigation services and modern terminals with advanced security equipment. From this airports, Manta in the coastal region and Cotopaxi, located an hour and a half from Quito in the Andean region, have the status of international airports despite of not receiving commercial passenger airlines to connect them with other countries.

On April 16, 2016, an earthquake would affect all of Ecuador, with a magnitude of 7.8 on the Richter scale with its epicenter in the coastal town of Pedernales, located 190 kilometers from Manta, causing the temporary closure of all the airports of the country. The earthquake generated more than 200 replicas that overpassed 6 degrees on Richter scale. It also left 602 deaths and become the second earthquake with the highest mortality in the history of South America. Former President Correa described it, as the greatest tragedy in Ecuador on the last 67 years; which resulted in a state of emergency for the provinces of Santa Elena, Manabí, Esmeraldas, Santo Domingo de los Tsáchilas and Los Ríos, which were without power supply. The emergency activated humanitarian aid networks from Colombia, Mexico, El Salvador, Spain, Cuba, and Venezuela among other countries; it included the deployment of 10 thousand soldiers, more than 4 thousand Ecuadorian police officers and required the implementation of series fiscal measures that would allow for the shoveling of associated costs. The Manta airport suffered significant damages, as Matias Zibell from BBC Mundo reports, about the arrival of the then president at Manta airport:

"The president could perhaps see that the flagship monument of the air base - a military plane with" face" of shark- fell to the ground after the earthquake of magnitude 7.8 that struck with particular cruelty to Manabí. Worse went to the city’s international airport, whose control tower collapsed on the pavement, as if it had decided to once land on the runway instead of the aircraft. ")

In spite of the destruction of the recently remodeled air terminal, by chance of the destination, only the FBO Jethandling facilities designed for general, private or executive aviation services, survived the catastrophe. Becoming the center of operations and activating all its personnel available for the attention of the different aircraft and assistance that reached the affected populations, which increased the constant arrivals and departures to and from the Manta airport; including air ambulances which operated 24 hours a day with changes of crews, taking patients to the cities of Quito and Guayaquil.

For the year 2017, with a demand of 63% over the total of places offered, the airports of Latacunga, Manta and San Cristóbal represented 69% of the airports administered by the DGAC revenues; which recorded an accumulated loss of USD 13 million between 2013 and 2017.

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2 Richter scale. The Richter seismological scale or scale of local magnitude (ML), is an arbitrary logarithmic scale that assigns a number to quantify the energy released in an earthquake, named after the American seismologist Charles Richter (1900-1985). (EcuRed, 2019)
On 2018, with the intention of generating growth of more than 3% per year, a subsidy for JET A1-type jet fuel was granted, as was a series of incentives focused on supply and demand so new routes are created and frequencies increased on existing in airports managed by the General Direction of Civil Aviation of Ecuador – DGAC

Study shows an alternative panorama that emerges as an engine towards the restoration of airport operations at Ecuadorian aerodromes. The complementary infrastructure and tourist services available in the radio of interference of each airport aren’t unnoticed. Depending on the behavior of private aviation demand, it generates an analysis that implies the capacity of adaptation of the destination to the new type of tourists that are approaching including a change in the types of tourism offered, marketing strategies, quality management and social interaction of each destination.

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Social Change and Tourism Development

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Abstract

From a sleepy town to one of the richest economies in the world, Macau, the coastal city located on the southern coast of China, has gone through enormous changes in the last decade. Tourist arrivals has hit a record high since 2007. In an area of 30.5 km², the city has received 30 million tourists a year (DSEC, 2017). In addition to tourist arrivals, newly built hotel rooms have been increased from 12,340 rooms to 37,117 rooms between the years of 2006 and 2017. It has been triple the hotel room supply to cater the massive tourist arrivals. Together with this very rapid tourism development in the city, economic indicators illustrate as well a very prosperous phenomenon of the society. The unemployment rate of the city has been below two percent in the recent years and the per-capital gross domestic product was recorded as USD77,850 in 2017 (DSEC, 2017). Nevertheless, the deterioration of quality of life has been a frequent discussion topic among residents and local radio stations. However, studies concerning Macau are scarce, except the study of Vong (2005) when was conducted before the enormous increase of tourist arrivals taking place. There are also social problems associated with this rapid tourism development, including increasing social fragmentation, residents’ dissatisfaction with deterioration of the physical environment, inequity in mobility, low sense of locality and identity (Greenwood & Dwyer, 2017; Yan, Xu, & Zhou, 2018) and increasing waiting time for shops, restaurants and parks (Deery, Jago, & Fredline, 2012). In view of the of the latest development of the region, where a Hong Kong – Zhuhai – Macau bridge was inaugurated in October 2018, a further boost of tourist arrivals is expected in the city, together with the alarming research finding of high prevalence of depression among locals by Hall et al. (2017), it is reasonable to believe that there are another side of the story or the dark sides of the splendid economic and tourism development. Therefore, the authors see the urge to study the social change phenomenon as induced by tourism development. Drawing on these previous studies on tourism impacts, and Social Exchange Theory (Richard M Emerson, 1976), this study is formed to understand the social change phenomena in Macau. A constructivist approach is adopted to research the phenomena. A total of thirty-five in-depth interviews were conducted. Preliminary findings of the study include early marriage and early childbearing among young generations, increase consumption on luxury products, pressure among peers on luxury products possession and usage and closure of small family business.

Introduction

When tourism becomes a dominant economic sector, a certain change of traditional economic structure in a society occurs (Albrecht, 2004). Tourism is blamed as a major cause of social conflicts due to the negative impacts that it can bring to social structures and cultures. It brings a great challenge for tourism planning with the greatly increasing number of tourists (Harrill, 2004). When tourism brings significant investment in infrastructure, residents tend to support tourism development, inspired by the perceived positive impacts brought, even in cases when the costs outweigh actual benefits (Nazneen, Xu, & Din, 2019).
With modernization, traditional economic patterns have given way to monetary-driven modes of development (Harrison, 1992). However, there is a lack of studies assessing the changes to economic patterns, livelihood activities and lifestyles of the local community brought by tourism (Mbaiwa, 2011). Therefore, it is important to examine public perceptions of tourism development, in particular obtaining the local support for tourism initiatives, development and planning (Harrill, 2004). It is necessary to understand residents’ attitudes toward tourism as their support and willingness to enter into the tourism industry is a crucial determinant of the sustainable development of tourism activity (Gutiérrez-Taño, Garau-Vadell, & Díaz-Armas, 2019).

In vulnerable destinations, such as small islands, social impacts are particularly sensitive as conflicts over the land use and associated resource utilization easily arouse social conflict between residents and tourists (Aswani, Diedrich, & Currier, 2015). Community acceptance of tourism is low when “boom tourism” is suddenly introduced to a place by large-scale tourism operations. However, from the social disruption perspective, the level of acceptance increases with time as the community becomes accustomed to the new situation (Davis & Morais, 2004). Even though numerous studies have been conducted to examine residents’ attitudes and perceptions, there remains a lack of studies on the changes in social patterns under rapid economic growth induced by tourism development. The aim of the present study is to explore how locals perceive the impacts of the introduction of the tourism economy on their everyday surroundings, with respect to the suitability of social changes that have resulted from rapid tourism development.

**Literature review**

**Social conflicts**

Based on Coser’s theory of social conflict (Coser, 1956), social tensions and political conflict are requisites for social change. Social conflict can emerge from social change. Such conflict is not considered negative as such, and can possible help in preserving social relations and maintaining cultural identity and consciousness within a group. Robinson (1999) discussed the cultural conflicts inherent in the relationship among tourism industry operators, hosts and tourists. Various contentious issues were identified, such as commodification, overutilization of resources, and over dependency on economic gain from tourism, among which economic benefits are considered the biggest issue due to unbalanced distribution to local groups (Feng, 2008).

**Social change patterns**

Tourism is considered a social disruptor and a cultural exploiter (Saveriades, 2007). If tourism has certain social impacts, such impacts should be equitably shared by the community. The main concern of this study is not to identify the details of impacts, but rather to determine whether or not these impacts are of shared concern to the local community (Saveriades, 2007). Huttasin (2008) divides the social impacts of tourism into two levels: micro-individual interchange among individuals and macro-social impacts, which refers to broader change patterns in physical, cultural and social behaviors. At the micro level, the community is heterogeneous in terms of socio-demographic features, level of involvement and proximity, leading to various reactions to tourism. At the macro level, impacts are perceived in a broader sense where community is considered homogeneous, residents’ perceptions vary dependent on stages of tourism development, seasonality and host-tourist relationships. Various models and theories have been applied to examine social impacts, including the destination lifecycle (Butler, 1980), the Irridex model (Doxey, 1976) and social exchange theory (R. M. Emerson, 1976).
Social exchange theory

R. M. Emerson (1976), who emphasized an integrated micro-macro approach, saw social exchanges as “two-sided, mutually contingent, and mutually rewarding processes involving ‘transactions’” (p. 336). He argued that social exchange is not a theory but a simplified approach which focuses on non-economic social situations. The relationship between parties reflects the reciprocal flow of resources between the parties. When valued resources are exchanged through prescribed behavior like tourism activities, rewards can be realized. Social relations become the units of analysis to examine behavior, as individuals or organizations focus on realizing the possible highest returns by obtaining the most resources. If the returns are considered desirable, taking into consideration the costs of the investments, the relationship is sustained.

Social exchange theory is considered a suitable tool to explain both positive and negative perceptions of tourism and examine the relationships among individuals and groups (Ap, 1992). It interprets the exchange of resources in an interaction process in which positive value is sought by the involved parties. During the process, the rewards and costs of the exchange are judged (K. L. Andereck, Valentine, Knopf, & Vogt, 2005).

Three aspects of impacts occur during the exchange process, namely economic, environmental and socio-cultural impacts. Respectively, these refer to the generation of employment opportunities and economic gains, the environmental influences and locals’ increased recognition of their own culture (Andriotis & Vaughan, 2003). Within the scope of social impacts, Hadinejad, D. Moyle, Scott, Krajik, and Nunkoo (2019) provide a comprehensive overview of recent studies of residents’ attitudes towards tourism in the leading tourism journals and identify a shift in the application of theory and methodological approaches in studying the residents’ attitudes. Quantitative methods currently dominate the research. The theory is applied for the study of resident attitudes towards sustainable tourism development and found that the long-term planning, community participation and environmental concerns are crucial to influence the residents’ support for tourism (Choi & Murray, 2010). Numerous attitudinal studies have applied social exchange theory to examine local communities’ acceptance of tourism (K. Andereck, Bricker, Kerstetter, & Nickerson, 2006; Andriotis, 2005; Boley, Strzelecka, & Woosnam, 2018), and how this is affected by perceptions of the balance of costs and benefits of tourism development (Andriotis, 2005), leading to either a supportive or a restrictive attitude based on the local community’s evaluation of the actual and perceived outcomes of the exchange (Andriotis, 2005; Byrd, Bosley, & Dronberger, 2009).

Apart from studies testing the relationship of residents’ attitudes towards tourism development, explanatory studies have used this methodological approach to explain how and why such attitudes change (Fan, Liu, & Qiu, 2019). Using the gaming industry as an example, Perdue, Long, and Kang (1999) argued that community involvement, social opportunities and safety concerns should be addressed in the early stages of casino planning, going beyond the economic benefits brought to the locals. However, their study did not assess the actual social impacts once casino development has been well-established.
Methodology

Research background

Macau is one of the most density-populated cities in the world, with a population of 667,400 in 2018 within its 30.5 square kilometers (DSEC, 2019a). It attracted 35.8 million tourists in 2018, nearly half of whom were day-trip visitors (17.3 million) (DSEC, 2019d). Tourist spending in Macau almost doubled from MOP37,892 million (US$4.7 million) in 2010 to MOP69,687 million (US$8.7 million) in 2018, excluding gaming expenses (DSEC, 2018). Since Macau’s return to the People’s Republic of China in 1999, there has been a dramatic change in its economic, social and cultural structure. The unemployment rate has sharply decreased from 6.3% in 1999 to 1.8% in 2018. The number of new businesses including hotels, restaurant and similar activities increased from 25 in 2001 to 159 in 2018 (DSEC, 2019c). As a result of rapid proliferation of gaming institutions, the city’s forty casinos took in total receipts of MOP 268 billion (US$33 billion) (DSEC, 2019b). Gaming revenue has become the main source of economic growth in Macau and supports most major construction and expenditure of the city. At the same time, it brings more business and job opportunities for the residents who enter into the tourism market to meet the increasing volume of visitors (Greenwood & Dwyer, 2017). Reliance on such a narrow industrial base for economic growth also causes threats of Macau’s tourism development. There are also social problems associated with gaming development, including increasing social fragmentation, residents’ dissatisfaction with deterioration of the physical environment, inequity in mobility, low sense of locality and identity (Greenwood & Dwyer, 2017; Yan et al., 2018) and increasing waiting time for shops, restaurants and parks (Deery et al., 2012). Social instability leads to reduced support from residents, which may threaten the sustainable tourism development of the city (Wang & Liang, 2018).

Qualitative approach

The paradigm of constructivism is applied to examine how individuals in society construct social phenomena (Fosnot, 1996). Compared to the previous dominant approach of using quantitative methods to test such relationships, this research uses in-depth interviews to discover residents’ inner thoughts on social changes. The in-depth interview questions mainly address the key themes drawn from prior literature. Before conducting the formal interviews, three pilot interviews were conducted with student helpers in June 2016 to test the feasibility and flow of the interview questions. Pilot interviewees included a casino pit supervisor (Male, 28 years old), a year three university student, whose mother working in casino VIP rooms (Female, 22 years old) and a young worker, whose father working as a casino floor inspector and mother staying at home (Male, 23 years old). The results of the pilot interview helped to adjust the interview questions as appropriate. Additionally, desktop research was done by the student helpers to identify key social issues as reported by Macau Daily News from 2005 to 2015. Prominent themes included gambling addiction, the middle class, family enterprises and housing prices, among others. Interview questions adjusted or augmented to be relevant to these current social issues. The semi-structured interview questions mainly addressed the different types of social changes perceived and received by the interviewees. A total of 35 interviews were conducted in Chinese and each interview lasts on an average of 45 minutes.

All interviewed were transcribed and coded by using the software of Nivivo 10. The coding was conducted by one of the authors and two trainee research assistants. During the process, the coding results were compared and aligned before conducting coding separately. Three rounds of trial coding were finally conducted to generate codes and align the understanding and interpretation of data analysis. The results were cross-
checked among the coders. Quotes were randomly picked and went through the entire coding process to ensure at least 95% alignment. A preliminary data analysis followed the steps of data reduction as outlined by Huberman and Miles (2002) was conducted.

Findings and discussion

Micro-individual interchange

At the micro level, social changes can be summarized as social costs and social benefits from economic development. The social costs are manifested into two themes: impacts on family relationships and changes in lifestyle and consumption patterns.

Family relationships

An increase in the prevalence of shift-work is among the changes in the work environment in recent decades. Couples who work different shifts see each other less. They communicate less with each other and problems can arise. Extramarital affairs become increasingly common. These and other factors put a strain on individuals and relationships. Two interviewees expressed that

“Due to the increased pressure of work, people get negative emotions easily which may become an excuse for quarrels with family. If things go on like this, a divorce will be a consequence”

“With the long-term shift of duties, less time is spent with the family and it is hard to maintain the relationship”.

Schedules are set by the demands of the job and less time, to the detriment of family relationships and activities.

Lifestyle and consumption patterns

With increased income, people gradually change their consumption patterns and lifestyles. More money and time can be spent on leisure activities, such as photography, ceramics, learning music, calligraphy, going to the gym, and eating out to try different cuisines and restaurants, as reflected in interviewees’ statements below:

“People prefer to do leisure activities to reward themselves”.

“I could imagine my lifestyle is becoming more enjoyable in the coming years. I will do whatever I like to enjoy myself”.

Another observation is the increase in land prices and the cost of goods since the introduction of casinos and tourism development:

“Compared to the land price 10 years ago, it is almost 10 times more than before. My parents recently sold our old apartment at the value of 3 million which only cost us 0.3 million when we bought it”.

The consumption rate is also increased for ordinary people:

“When the casino opened, it brought strong currency inflation. For example, a light breakfast costs nearly 40 dollars, which was only around 20 dollars five years ago.”

Another change in consumption trends is the competition for purchase of luxury goods. Peer pressure may arouse people’s inherent aggression. As described by an interviewee, “people who work in an office, especially casino-related, are always competing. If one buys luxury bags, colleagues may compete to buy them as well”.

Others saw this phenomenon as rooted in the Chinese philosophy of maintaining social recognition by “facework” through the conspicuous acquisition of economic status symbols (Kwek, Wang, & Weaver, 2019):
“I think in Macau it’s kind of Chinese culture. People buy a luxury product only because it’s expensive, but not based on its utility”.

Some others even evaluated such behavior as seeking a sense of security through buying luxury products. A few others felt tired from the pressure brought by this ethos:

“If you are working in an environment where colleagues or peers are always competing, the pressure would be huge!!”.

Macro-social impacts

From a broader perspective, the interviewed residents’ reflections also reveal a change in social trends, that is the early marriage and childbearing. The impacts of international corporations are also observed.

Social trends

Changes in social trends noted by the interviewees included early marriage and early childbearing. One interview stated that

“After graduating from college, once have a stable work, the person will think of getting married. In general, Macau people are not ambitious with their career”

Early childbearing is another phenomenon closely linked to the social trend of early marriage. There are also incentives and subsidies, funded largely from tax revenues from gambling, provided by the government for having children:

“Raising a child is easier in Macau than elsewhere, because the government provides social benefits that cover all major costs. We only need to pay for miscellanies”.

Impacts of international corporations

Due to business pressure from international casinos and hotel operators and other multinational brands, most of the manpower are attracted to work in the international corporations rather than family businesses:

“For local shops like noodle shops or bakeries, there is an increase on the rental price. Furthermore, casinos drain all manpower and the younger generation may not be interested to run family-owned businesses or old businesses, but prefer working for big corporations” (Interviewee XX).

The consequent issue of the shutdown of old shops is raised as a matter of concern.

Conclusions

Social change cannot be separated from the economic impacts and in most cases the economic gains entail social costs when local residents’ interests are ignored. Various studies have been conducted examining residents’ attitudes toward tourism development, but there is a lack of investigation of the changes in real practice. This study applies social exchange theory to investigates locals’ perceptions of social change along with economic gains brought to Macau by tourism. These preliminary findings have both theoretical and practical implications. From a theoretical perspective, social exchange theory has been applied beyond the investigation at the “perception” stage, in a real scenario of balancing the social costs and benefits and the economic gains. In terms of social benefits, people employed by casino-related businesses enjoy significant economic benefits. Their income and living standard have been lifted up. Yet, such benefits come with certain social costs. These employees have little time to spend with family and less communication with family
members. Family relationships suffer seriously. These people have been affected by the social environment they encounter in the specific working environment of casinos and hotels. They see colleagues become big spenders on luxury items, such as handbags and expensive cars, and feel social pressure among their peer group to also acquire such items. King and Parnwell (2011) described a similar phenomenon in Thailand where, with the expanding economy, many people move from the provinces to the capital city for jobs and educational opportunities, and expect benefits from the state-generated economic gains. With increased income, they also gradually change their consumer tastes and values. Apart from the social changes at a personal level, the social trend of early marriage and childbearing also becomes obvious as the stability of the working status and source of income enable people to choose a stable lifestyle. At the societal level, the pressure on the locally-owned business to compete with international corporations for workforce and to afford rising rents endangers the survival of these smaller businesses. Such trends may lead to serious social issues associated with gentrification if not managed properly.

In a practical sense, the study provides a previously-overlooked perspective of local people on changes in the social environment of the city within the last decade. This examination is essential to examine tourism’s impacts from a social perspective, in the context of meteoric economic gains and societal changes from tourism development. The issues thus raised provide an imperative for reviewing current tourism development policy, plans and management.

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The Transformation of the Wine Market by Tourism – The Gambling Gorilla Macao

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Abstract

The wine industry has experienced dramatic changes in Asia during the recent decades. Macao, being forecasted by International Monetary Fund as the city with the highest gross domestic product per capita in 2020 has also experienced a historical 15 years for the wine industry, since the establishment of the first international hotel in 2004 until 2018. The historical background being the colony of Portugal then returned to China, the local culture of the city, the leading industry casino gambling and the existence of a group of VVIP have all contributed to the remarkable and uncommon transformation of this industry. The casinos and VVIPs are the main consumer segments of the on-trade market; when both tourists and locals are main supporters of the off-trade market. Both of these markets have benefited from the tax-free policy, but with the unique business environment of the city, the supermarket retail sales have become the competitive edge. The current research has applied qualitative research methods of oral history method on carefully chosen representative wine practitioners of Macao. The interviews were semi-structured and data was collected until saturation. The data was classified into 22 categories, being classified into five themes. The transformation of the wine business market is discussed through the on-trade and off-trade markets. Wine suppliers are found to be in the best position at leading the transformation of the wine business market into a new era, while educating the customers will be the key to success.

Introduction

The gambling industry of Macao was liberalized in 2002 and this has brought in the first international hotel to the city by 2004. The establishment of international brands started the new era of the wine market in Macao. From 2004 to 2018, dramatic changes have taken place in the wine market. This research study will discuss the transformation of the wine market during these 15 years with regard to the on-trade and off-trade markets. Past studies on the wine industry of Macao are sparse. This research has applied qualitative research studies of in-depth interviews through oral history method on representative wine practitioners of Macau, from suppliers, sommeliers to wine buyers. The respondents have been carefully chosen based on three theoretical and practical considerations (Silverman, 2006), which includes the nature of the research, the sufficiency on the coverage of data and the unique culture of the wine industry in Macao. The primary data collected has undergone thematic analysis, when three major themes were identified and analyzed.

From the establishment of a wine market in 2004 onwards, there are two major milestones: one dated in 2008 when the wine tax was eliminated and the zero-tax has effected in significant diversification of wine supplies to the market; the other in 2015 when the policy of China has become more stringent to attack fraud, leading to a gigantic turbulence to the number of Mainland visitors to Macau, when Mainlanders constitute around 70% of visitors for the city (Statistics and Census Bureau Macao, 2018). Back in 2004, the wine industry was dominated by a few suppliers, who have influential status on the type of wine
purchased by the market. Through the change in legislations together with the improvement of customers in wine knowledge, a flood of wine suppliers was attracted into the market, largely from the nearby city Hong Kong, as well as suppliers of international famous and even niche brands. The customer segment has grown more educated during the last decade. This is the joint efforts of higher disposal income, more available information on wine through both education and professional training, the diversification of the supplier market that widen the extensiveness of wine knowledge through tasting sessions and marketing, and information technology.

**Literature review**

*Wine in Macao*

Macao has been a colony of Portugal since 1887 and was handled back to China in 1999. She has a deep-rooted Chinese culture with strong Portuguese elements. It used to be referred as a place where the East meets the West. The legislative system was developed based on the Portuguese system, which was replaced by the Basic Law at her return to China as one of the Special Administrative Regions (SAR). The city has inherited the harmonious culture of Portuguese and the industriousness of Chinese. In general, the economy of Macao is in harmony.

The economy of Macao has a population of 625 thousand, when she welcomed around 32.5 million tourists in 2017, with around 67% from Mainland China. There were 78 hotel establishments, most of which were 5-star hotels (42%). The total guest rooms numbered to 37 thousand, at an average occupancy rate of over 85%. Being the only place in China where gaming is liberalized, the gross gaming revenue in the year surpassed 266 billion Patacas (USD 33 billion) and this has generated around 100 billion Patacas (USD 12.5 billion) of tax revenue, which represents around 80% of the total annual public revenue. This has put Macao as the fastest growth in Gross Domestic Product (GDP) amongst the 50 richest economies and according to the forecast of International Monetary Fund (IMF), Macao will become the city with the highest GDP per capita worldwide by 2023 (Times, 2018). The legendary changes of the city have transformed different aspects of the economy, including the wine business market. What are the factors that have affected the transformation of the wine industry in an Asian city with a colonial background and being framed as a gaming paradise? How do the on-trade and off-trade market of such type of city differentiate?

**The Role of Wine Specialists**

Dewald (2008) analyzed data collected from fine restaurants and found that restaurants with assigned wine specialist(s), on an average basis, had more patrons ordering wine and 14% better sales per guest. Manske and Cordua (2005) obtained the sales data of fourteen selected restaurants which were comparable in average spend and length of wine list. They found that restaurants with wine stewards were ranked higher in terms of wine sales on an average basis. Their average sales per square feet was $142 while those without wine stewards had $84. Although different approaches were adopted in these two researches, the results suggested the same positive impact of sommelier towards the business performance.

The wide variety of grapes and vineyard, market differentiation and information asymmetry make wine purchase a complex process (Marques & Guia, 2018). Consumers may not have sufficient wine knowledge to evaluate wine products simply by its specification among such product breadth. Bastian et al. (2005) conducted a study with forty regular
wine drinkers who did not receive formal wine education. These respondents were presented two sets of wine with six bottles made by the same grape in each set. After tasting they pointed out that they had difficulties matching their perceived flavor with the description on the label. When consumers are not knowledgeable about the product, or not confident in what they know, they tend to take risk reduction approaches, for example, seeking external information from credible sources (Johnson and Bastian, 2007). However, consumers only have access to limited sources of external information under the on-trade setting. When the description on the label may not help providing sufficient information or confidence, obtaining recommendation from a wine specialist on the site will be an effective risk reduction strategy. Wine consumption is experiential in nature and this is particularly true when different types of wine are served to complement different menu items. When good food is paired with the right wine, the gastronomical experience is enhanced to a higher level (Aune, 2002). When the F&B industry is developed towards a direction with stronger emphasis on dining experience, it allows a better prospect for sommeliers as the demand of a well-established wine list and professional wine service goes up. Will the same situation applied to the wine consumption market of Macao and if the market can be transformed through education? Who are the major parties that can lead the transformation?

Research Method

Past studies on the wine industry of Macao is sparse. This research has applied qualitative research studies of in-depth interviews through oral history method on six representative wine practitioners of Macao, from suppliers, sommeliers to wine buyers. This research involves historical information that has not been documented before and focused on investigating the different aspects of “how” and “why”, rather than “what” and “where”, therefore the in-depth interview is more appropriate (Silverman, 2001). The rapport between the interviewer and the interviewees can help in facilitating insights on sensitive areas, while the memories and personal experiences of the latter can enhance the understanding of historical facts (Tayie, 2005).

The interviewees have been carefully chosen based on three theoretical and practical considerations (Silverman, 2006), which includes the nature of the research, the sufficiency on the coverage of data and the unique culture of the wine industry in Macao. The background of the interviewees, their exposure to the industry, experiences and representativeness in the field are part of the consideration criteria. They covered the major dimensions of wine suppliers and sommeliers, locals and non-locals, with formal wine education or being trained only on-the-job, working as the management or operational levels. This structure is so chosen to ensure representatives from different major positions of the wine industry in Macao would weight in. In addition, all respondents worked in Macao and aged 30 and above, so as to minimize the influence of structural relations resulted from demographic differences (Matthews, 2000) and to ensure that the respondents have the required knowledge and experiences. The number of six respondents was originally planned with the considerations that there are only five local sommeliers and less than five major wine suppliers with physical shops and storage houses in Macao. The saturation of the data later found in the interviews has sustained this decision (Strauss, 1998).

The transcription process followed the Interviewee Transcript Review Process and Audit (ITR) (Hagens, Dobrow, & Chafe, 2009). The verbatim transcription for each interview was completed within three weeks from the interview. An inter-reviewer was arranged to review the first version of the transcription, to ensure that all information is verbatim. All transcriptions were then sent to the interviewee for review and comments and revised.
accordingly before finalizing. All the revisions commented by the interviewees were documented. The data was then analyzed by NVivo Version 12 and Excel 2016. Based on the content analyses process by Elingsoon and Brysiewicz (2017), the verbatim transcriptions are analysed into codes, categories and themes. A total of 22 categories were identified, which were classified into five themes, 1. Supply; 2. Demand; 3. Legal; 4. Sommelier; and 5. Discrimination. This paper will report the findings on two themes, supply and demand of the wine market in Macao.

Findings and discussions

Wine Business Market of Macao

In Macao, the on-trade and off-trade markets offer two differential types of customers. The on-trade market is dominated by the hotel and casino sectors. The majority of their customers are tourists from Mainland China, who are the actual end-users and constituted around 80% of the customer segment. The hotels and casinos are consequently looking for wines that are not listed on the off-trade market, as wines on the supermarket shelves are perceived to be inferior. They perceive that customers visiting the fancy restaurants are expecting a memorable experience and more affordable for expensive consumption. Entry-level wines do also sell at hotels but mainly for banquets and as house wine by the glass. The total number of on-trade customers in Macao are limited, at less than 20, and it is comparatively easy for suppliers to keep up the relations with them. However, the close relationship may not indicate guarantee sales, when there are ample wine options available.

The six gaming concessionaires and the starred hotels and international chains are mostly part of their properties. This resulted in the palpable influence of corporate culture on the choice of wine. The gaming industry is the leading industry of the city, when more than 80% of the public revenue are generated from gaming tax. The local government has imposed strategic motions to diversify the market during the last decade but without much success. This situation has caused most of the wine purchaser of the on-trade market to be conservative and used to provide what competitors are providing, to avoid the risk of losing the customers. There is also minimal collaboration between competitors on wine activities, like having joint promotion at celebrations and events, e.g. St. Patrick’s Day or Christmas, as the expected effort required may be beyond the expected return, while the return may not be noticeable when compared to the gaming revenue. This differs from nearby regions like Hong Kong and China, when joint promotional activities on wine between competitors are common and act as one of the major functions that stimulates wine consumption.

Comparatively, Macao is developing even at a slower pace than nearby regions in China, which started up the wine industry later than Macao. This is mainly due to historical burden of Macao, when her wine industry started back since decades ago while it was the colony of Portugal. The European culture of wine drinking has grounded the wine industry in Macao since that time but has not embedded it into the local culture, attributed to the hierarchical difference of the society during those ages. This background makes it difficult to break the practice and integrate wine drinking into the local culture. In the previous years, wine suppliers have organized wine tasting and seminar to market the culture of wine drinking into the local society, increase the visibility and spread the knowledge of wine to wider customer segments but mostly ended with minimal success. Being the colony of Portugal and the Special Administrative Region of China after then, Macao is in
fact at a wobbly state, when she struggles in different aspects at finding her identity and position.

The On-trade Market

Majority of restaurants in Macao on western cuisines and bars are located inside the hotels or casinos, when tourists is the core customer segment that can be classified into two groups, gamblers and non-gamblers. The former can further classified into general and VIP customers. For general gamblers, they can earn bonus points while they gamble, when they will use the points to exchange for wines, especially expensive ones. For high rollers, they are the prestigious customer segment used to be identified as VIP (very important person) and served by the casinos. The major objectives of the casinos are to satisfy their customers rather than on the sustainable growth of the wine market, so it is common that they will prefer to go well-known brands, like Bordeaux, instead of keeping a diversified product portfolio. They will not consider whether the wines can work as a tool to achieve their objectives, rather than the story behind the wines. For the customers, their main goal is to gamble, therefore wine is peripheral and nice-to-have, it is common that they will not expect to have a wide choice of differentiated wines available.

For the non-gambler group, wine purchaser will be more concerned on the customer preference and the cost-performance ratio of the wine, as they need to ensure there is a market for the wine. For the customers, they are tourists who have travelled far from their hometown to Macao, so are normally more willing to spend. The tax free policy on wine in Macao has provided an attractive environment, as this will mean the wines being sold in Macao will be around 20 to 30% lower in price than that in China. For the locals, they have different preference than tourists. They look for varieties and also expect restaurants to have wines that differs from those at supermarkets. However, they normally do not take wine drinking as a culture that paired with meals, instead they will expect to have some nice moments and are prepared to pay for higher price. For the younger generation of 80's and 90's, they have comparatively more international background and are willing to experience through wine activities, like tasting events. Nevertheless, such events that are normally hosted in hotels focus on the sales of commercial brands and brands that can yield higher returns.

Restaurants and Pubs

There are only limited bars or pubs in the city and having full house is not a normal scene. Although there are quite some cafes and small restaurants opened during the current years but the scale is small and there are large restaurant chains with western background, like those in nearly by regions, are far out of sight. As they are not located in the hotels and casinos, therefore it is challenging to attract the tourists. For locals, as it is not a custom to drink wine while dining, this market situation forced most of the off-trade market restaurant and pubs to provide limited offerings of decent wine and focus on well-known brands. It is also rare to have sommelier in the off-trade market to introduce the history and stories behind the wine or make suggestions for wine pairing.
The Off-trade Market

Supermarkets - The New Edge

Despite the hindrance at bars and restaurants, the retail supermarket sales has provided new potentials in recent years. The tax free policy on wine has acted as a competitive edge, when the price of wine gets not only cheaper than nearby regions of Hong Kong and China but also becomes more than affordable for the local market. As wine drinking is not an embedded local culture, an affordable price will improve the level of acceptability and impose positive effects. Although supermarket sales may not have obvious contribution on the branding and image of the wines, but it enhances the visibility and have a wider reach to different segments of customers that stimulates consumption.

The wine suppliers, especially sizeable ones, are putting higher focus on the retail sales at supermarkets, which can generate faster returns. Simultaneously, the chain supermarkets are willing to invest in this product areas, as they observed the success of wine fairs and through promotion period sales. For customers, they are also showing active consumption at supermarkets. While in general entry level and hours wines are their priority preference, customers are also found being open and willing to try non-branded varieties. Supermarkets that service mostly locals are employing different practices than those that served mostly tourists. For the former, they are more willing to invest in wine fair and at times, they may take the lead and invite wine suppliers to collaborate. Even though they may not have very large storage place for wine, as the sales of daily products will yield higher revenue and make up the majority of the inventory storage, but with the large number of outlets, they can archive a high exposure rate for the wine. Typically, these supermarkets sell commercial and wines with high sales. As they target the local market, they will use different marketing channels to reach their customers, from traditional leaflet, newspaper advertisement to e-flyer, social media member groups. While for supermarkets that served mainly tourists, they have comparatively higher inventory turnover on wine, therefore are more willing to keep a wide variety of stock, including both new world and old world. They have bigger storage places for wine but with limited outlets. They used to sell not only commercial wines and those with high exposure rate but also niche brands. They will reach target customer segments through their online website and word-of-mouth.

Conclusion

The transformation during the last 15 years marked the history of a wine market from flourishing to saturation, yet far from maturity. The facts that the market has a historical background of being a Portuguese colony, when the drinking of wine is not peculiar or new, but not able to embed this habit into the culture of the city, have been the utmost hindrance to the market development. In view of leading the transformation into another era, it is perhaps vital to alter the mindset of customers, when the consumption of wine should be wine tasting instead of wine drinking. For the off-trade market, it will be good for restaurants and bars to have employees to introduce the history and stories of the wine to the customers and provide wine pairing suggestions. This can enrich the dining and drinking experiences of the customers that will act as incentives on consumption. Considering cost effectiveness and factual needs, formal qualifications of wine may not be the critical factors, when basic training and motivation towards the upsell of wine should be the key. Back in history, the wine market of Macao is comparatively young when all started only in 2004, educating the market is therefore necessary. The wine suppliers are in the best positions to take the lead, through collaboration with retailers, supermarkets or
offer tasting sessions with more focus on educating the public than a quantitative profit return.

For the on-trade market, wine suppliers should impose more focus on the end users and disseminate their needs to the hotels and casinos, in order to assist them at understanding the benefits of marketing and sales of wine and how this can strengthen their relationship with customer. Suppliers should try to differentiate themselves through the provision of high service quality. Wine is a type of luxurious product when its value can be exemplified through the deliberation of its history, stories and background. These are not common knowledge that consumers can easily obtain in daily encounters, therefore the provision of such information through a wine expert will surely be a value add. Currently around 80% of the well-known brands in the world can be found in Macao. For diversification, it will be good to explore on the remaining types. However, considering the efforts that are expected to impose and the high operational expenses of the city, strategically one should explore this opportunity segment through online commerce. This on one hand can expand the market, immerse into more customer segments (e.g. youngsters) and at the same develop this niche but growing marketing channel.

The current research focus on interviewing wine practitioners of the market. For further research studies, it is suggested to include non-wine practitioners, to gather and compare information from different aspects. It is also worthwhile to compare the transformation of the wine business market in Macao to nearby regions, to identify the factors leading to the differences for more insights into the industry and how to bring upon its success.

References


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The authors would like to express gratitude to the interviewees who participated and shared their insights for this research study. They are Mr Joao Pedro Farinha, Ms Hedi Lao, Ms Zijie Wang, Mr Joe Yang (by alphabetical order of surname) and other two who prefer to keep anonymous.
Sommeliers of a uprising tourism market - the case of Macao

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Abstract

The wine business in Macao soared with the boom of tourism. Most upscale restaurants are operated within integrated resorts where tourists are the main market. However, these establishments have difficulties recruiting sufficient sommeliers while there are only limited local sommeliers under the prosperous prospect of wine business. In-depth interviews with experienced professionals were conducted to explore the hindrances of the development of local sommeliers and highlight three major factors – wine culture, wine education and perception to the profession. Implication with recommendations are discussed.

Introduction

After the return of Macao to Chinese sovereignty, Macao experienced rapid changes because of two main policies related to tourism. The first one was the Individual Visiting Scheme (IVS) issued by Chinese government, lowering the barrier of tourists from Mainland China travelling to Hong Kong and Macao, and therefore triggered the boost of the tourism in both special administrative regions. The second one is the liberalization of gaming licenses that led to establishment of new integrated resorts. According the Statistics and Census Bureau Macao (2019c), the tourist arrival had a threefold increase from 11 million in 2002 to more than 35 million in 2018. The tourists from Mainland China dominate this vast amount of arrival, accounting for two-third of the total arrival.

With the completion of more integrated resorts, the competition of these six casino concessionaires were getting more intensive. They made every endeavour to stand out by enhancing the variety of their offerings and the overall guest experiences. F&B experience was one of the core emphases. The rise of upscale restaurants in these new establishments shaped the development of fine dining market in Macao. According to Michelin Guide, one of the most recognized international guidebooks in F&B, there were only six starred restaurants (1 three-star, 1 two-star and 4 one-star) in Macao when they first published their guidebook specifically for Hong Kong and Macao (Michelin, 2008). Four out of these six starred restaurants were operated in newly established casino complex after the gaming liberalization. The total number of starred restaurant jumped to 19 (3 three-star, 5 two-star and 11 one-star) in ten years (Michelin, 2018), and 18 of these were operated within casino complex.

The significant development of the food and beverage operations are also reflected in the upward surge of wine consumption in both quantity and quality. According to Statistics and Census Bureau Macao (2019b), the amount of imported wine burst from less than 1 million liters in 2002 to almost 4.5 million liters in 2017, while the imported value rose from USD 8.4 million to USD 127.7 million in the same period. Although the imported volume may not be equivalent to the total consumption amount during the same period (Camilo, 2012), the statistics indicate the uprising demand of wine in Macao. The rapid growth of F&B and wine consumption should have allowed a great room for the development of
sommelier, whose main responsibility is closely associated with wine. However, there are only a handful of local pursuing their career as sommeliers even though companies are investing more in grooming professional sommeliers.

The authors will focus on the development of sommelier in the unique market of Macao, and explore the opportunity and challenges of further advancement of this profession in this study. Literature related to the development of this profession is limited. The result of this research will provide more understanding about sommeliers in a booming tourism market, and at the same time will provide a clear picture if the industry further expands the business.

Literature review

Wine Culture of China

Wine produced in countries with long-established history of production is regarded as the Old World wines. China, on the other hand, is regarded as a wine producer of the New World. However, the history of grape wine production in China is believed to start as far as the Shang Dynasty in 7,000 B.C. (McGovern et al., 2004). However, grape wine production was not well developed like other alcoholic beverage production (for instance Chinese spirits, also known as baiju in Mandarin) due to different factors like weather and soil. The limited quantity made wine a special beverage, which was consumed by the upper social class at important occasions, and therefore was never the main alcoholic beverage products (Liu & Murphy, 2007). However, the phenomenon is changing when Chinese market opened its door to international products. According to the report issued by International Wine and Spirit Research (IWSR), China is expected to be the second largest wine consumer with estimated sales of $23 billion by 2021 (Xu, 2018), and will be challenging the dominant position of Chinese spirits in the long term (Wang, 2018).

The growth of the market also led to the growth of researches in this field. To understand the factors affecting Chinese wine consumers, Camillo (2012) surveyed 438 respondents and found that more than half indicated “health reasons” as the main reason of drinking wine. The alcohol content of wine is certainly lower than spirits. The increasing awareness of health issues helps wine become a healthier alternative of the traditional Chinese spirits. IWSR presented the same research result which indicated the perceived health benefits of wine facilitated the gradual switch from other alcoholic beverages to wine among the senior Chinese consumers (Wang, 2018). Meanwhile, wine is considered as a trendy product and a sign of good taste (Liu & Murphy, 2007). It is gaining popularity among the Chinese millennials, who will be the new driving force of wine consumption (ASCKI, 2018). In terms of selection of wine, Li, Hu, and Jun (2006) found that Chinese wine consumers has a strong emphasis on the country of origin, particularly when it is for special occasion. Yu et al. (2009) conducted their research in Beijing and found a similar result. Past experience with the wine, the origin of the wine and the brand name influence their purchase decision most. Li et al. (2006) suggested that when an imported wine is selected, and often at a premium price level, it offers pride and maintain the “face” (mianzi) of the consumers. In other words, the “face” culture plays a role in shaping these purchase behaviour. Meanwhile, they also suggested the dependence on these extrinsic factors is likely because of insufficient understanding about wine. Although these researches have their limitation in generalizability, similar findings of these researches suggested some common patterns of wine consumption among Chinese consumers. When the business of casino complex in Macao is mainly driven by high spending patrons from Mainland China, there is a need to understand how their wine consumption behaviour shaped the development of wine business in this fast growing market.
Many wine consumers experienced wine for the first time with the recommendations of a knowledgeable service staff (Granucci, Huffman, & Couch, 1994). This likely also applies to a new wine market where consumers may have limited experience with this kind of experiential products. A sommelier would be the best ambassador of wine in this case. Sommeliers, or sometimes referred as wine stewards, is a profession of beverage with a strong focus in wine service. The responsibility of this profession was gradually changing to include a larger scope of work over time. In some early literature, sommelier was described as a position with a strong focus on sales and service. They recommended wine to restaurant patrons for selection (Vine, 1997) by providing information or describing the characteristics of different wine products (Bond-Mendel & Simintiras, 1995), and were responsible for the wine purchase of the patrons and wine service at the table (Koplan, Smith, & Weiss, 1996). In addition to these sales and service roles, modern sommeliers also developed the wine list, handled procurement, maintained inventory and trained other service staff about wine and wine service (MacNeil, 2005). Although the actual job duty may vary across regions or companies, these definitions provided an overview of different aspects which sommeliers may need to take care about wine, namely administration, training and service, for the purpose of increasing the overall sales.

Some researchers were interested to find out the contribution of sommeliers to the bottom line. A consultancy firm conducted a research report about the role of sommelier in increasing wine sales with 250 phone interviews. Dewald (2008) analyzed these data collected from fine restaurants and found that restaurants with assigned wine specialists, on an average basis, had more patrons ordering wine and 14% better sales per guest. Manske and Cordua (2005) obtained the sales data of fourteen selected restaurants which were comparable in average spend and length of wine list. They found that restaurants with wine stewards were ranked higher in terms of wine sales on an average basis. Their average sales per square feet was $142 while those without wine stewards had $84. Although different approaches were adopted in these two researches, the results suggested the same positive impact of sommelier towards the business performance.

To learn about how sommeliers contribute to the increase in wine sales, it is necessary to look into the decision process of wine purchase. The wide variety of grapes and vineyard, market differentiation and information asymmetry make wine purchase a complex process (Marques & Guia, 2018). Consumers may not have sufficient wine knowledge to evaluate wine products simply by its specification among such product breadth. Bastian et al. (2005) conducted a study with forty regular wine drinkers who did not receive formal wine education. These respondents were presented two sets of wine with six bottles made by the same grape in each set. They pointed out that they had difficulties matching their perceived flavor with the description on the label after tasting the wine. When consumers are not knowledgeable about the product, or not confident in what they know, they tend to take risk reduction approaches, for example, seeking external information from credible sources (Johnson and Bastian, 2007). However, consumers only have access to limited sources of external information under the on-trade setting. When the description on the label may not help providing sufficient information or confidence, obtaining recommendation from a wine specialist on the site will be an effective risk reduction strategy.

Wine consumption is experiential in nature and this is particularly true when different types of wine are served to complement different menu items. When good food is paired with the right wine, the gastronomical experience is enhanced to a higher level (Aune, 2002). When the F&B industry is developed towards a direction with stronger emphasis on dining
experience, it allows a better prospect for sommeliers as the demand of a well-established wine list and professional wine service goes up. The same prospect applies to Macao where competition between casino operators continues, and new properties and expansion plan are on the road.

There will be more F&B outlets emphasizing gastronomical experience with more varieties in terms of styles of cuisine. These growing numbers of operations will continue to boost the demand for professional sommeliers. However, there are still only limited number of locally groomed sommeliers pursuing their career in Macao under the strict labor policy. There is a need to explore any possible hindrances that restrict the development of this profession. Meanwhile, these sommeliers are responsible to select wines that best fit the menu, and because of the growing variety of food in this market, how they cope with the increasing breadth of food knowledge and what support is available remain a question. Exploring this complex environment will illustrate a better picture, and may therefore reveal the opportunities and challenges of the development of this profession.

Methodology

As discussed above, the existing literature related to sommeliers were more about their roles and their relationship with sales performance. Limited literature on the hindrances of development is a prompt to the need of further exploration in this topic. Given the nature of this research, it is needed to gain a complex and detailed understanding about the topic. Qualitative approach was therefore applied (Creswell, 2013). In-depth interviews were conducted with open-ended questions from a semi-structured question list. The questions mainly covered the following areas:

1. The wine culture and consumption pattern in the Macao market
2. Development and prospect of the sommelier profession
3. Hindrances of development of the profession

Sample

Purposive sampling is applied in this study to ensure the significance of views shared by the interviewees. This sampling approach requires critical evaluation on the specification of the population to ensure the representativeness of the samples (Silverman, 2013). Interviewees were carefully selected as they need to have sufficient understanding about the context of the uprising of wine market in Macao. In addition, they also need to work as sommeliers or have the opportunity to work closely with sommeliers to provide insightful sharing. The primary target of interviewees are sommeliers who received their related education in Macao then started up their career in Macao. Three sommeliers who graduated from Institute for Tourism Studies Macao in tourism and hospitality related bachelor programs were invited to the interviews. The authors planned to apply snowball sampling from these interviewees in order to get in touch with more local sommeliers. Their average working experience in the industry is approximately 8 years so their referral, if any, would offer the same level of significance. However, the authors could not get in touch with more local sommeliers due the limited number available in the market.

In addition to sommeliers, invitation were extended to wine suppliers. Two wine suppliers joined the interview to provide their views about the wine market and sommeliers from the supply side. When all these samples were asked to refer another potential interviewees, most of them referred the same wine buyer working in the procurement department of a casino operator. This wine buyer was invited and became the sixth interviewee in this research. All six samples in this study have solid work experience in the field of wine in
this uprising market. Their background covers wine service, training, procurement and supply. Table 1 below presents the overview of the profiles of all six interviewees:

Table 1 - Profiles of Interviewees

<table>
<thead>
<tr>
<th>Interviewee</th>
<th>Profession</th>
<th>Experience</th>
<th>Qualification in Wine (by alphabetical order of issuers)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>Sommelier</td>
<td>6 years</td>
<td>Advanced Sommelier – CMS Advanced in Sake Certificate - WSET Level 3 Advanced – WSET</td>
</tr>
<tr>
<td>B</td>
<td>Sommelier</td>
<td>8 years</td>
<td>Advanced Sommelier – CMS Level 3 Advanced – WSET</td>
</tr>
<tr>
<td>C</td>
<td>Sommelier</td>
<td>9 years</td>
<td>Certified Sommelier – CMS Certified Sake Sommelier – Sake Sommelier Association Level 3 Advanced – WSET</td>
</tr>
<tr>
<td>D</td>
<td>Wine Supplier</td>
<td>11 years</td>
<td>Level 3 Advanced – WSET Level 4 Diploma – WSET (candidate)</td>
</tr>
<tr>
<td>E</td>
<td>Wine Supplier</td>
<td>11 years</td>
<td>BSc in Food Engineering (Viticulture &amp; Winemaking)</td>
</tr>
<tr>
<td>F</td>
<td>Wine Buyer</td>
<td>10 years</td>
<td>Certified Educator - WSET Level 4 Diploma – WSET</td>
</tr>
</tbody>
</table>

Data Analysis

All interviews were voice taped and transcribed into text. The interviews were mainly conducted in Chinese except the interview with one wine supplier who doesn’t speak Chinese. The transcript was therefore transcribed in Chinese to avoid unnecessary distortion in meaning. The interview in English was transcribed in English first, and was translated into Chinese and cross checked by external reviewer. The authors returned to some interviewees for further clarification after reviewing the initial transcript.

Findings and discussion

Immature Wine Culture among the Mature Markets

When all interviewees were asked about the wine culture in Macao, they all stated that the development of wine culture in Macao was quite different from other markets. It has experienced a rapid growth and changes, yet it can still be considered as immature when it is compared against other mature markets like Hong Kong. The interviewees elaborated this from different perspectives which can be categorized into two groups: the local market and the tourist market.

Local Market

The local market perhaps is not the main drive of on trade consumption in Macao when casino operators constitute a significant portion of the business by serving high spending casino players. However, the importance of local market should not be ignored as it does not only affect the long-term sustainable development of the wine market, but also affects the room of nurturing local wine talents. Macau is a relatively new wine market but the history of wine is not a complete blank. Wine, and Portuguese wine in particular, were brought into this city during the long colonial history. However, the wine culture did not successfully blend into the dining culture of the majority of local community who had limited exposure with the western or Portuguese dining culture. It was a well-known product with
a perceived image of luxury good. The number of local wine consumers actually grew only when the economy rose along the liberalization of the casino industry. The rise of disposable income enhanced the pursuit of the enjoyment while the tax free policy further facilitated the growth of wine consumers. All interviewees agreed that the local market is growing, getting more sophisticated and learning more about wine. Despite the fact that it is maturing, the interviewees would still consider it immature in terms of popularity, diversification of products and willingness to try different products. The absence of wine in inherited dining culture, the limited exposure to wine making environment (interviewee C), and the limited demographic diversity among high disposable income group (interviewee B) limit the pace of further growth of local wine culture, as interviewee F suggested that “it will take time to thrive”. These views suggest that the younger generation is having more but still insufficient exposure to the wine culture as those in other mature markets.

Tourist Market

Although there is not any statistics about the breakdown of wine consumption between local and tourist market, the interviewees agreed that the tourist market, mainly composed by Mainland Chinese, has significant influence to the pattern of on trade consumption. It is because the casino operators dominate the upscale food and beverage operations. The restaurants operating in casino complex have a higher portion of casino patrons. All interviewees shared that Macao was a paradise of premium wine at the early stage of the booming wine business. These VIPs would ask for the highly reputable (and therefore expensive) labels produced in traditional wine making countries (e.g. France) when they might not have thorough understanding about wine. This trend is under gradual change based on interviewees’ sharing.

The interviewees are seeing less patrons who are only after high value and premium label. The proportion of knowledgeable wine consumers continues to grow in the tourist market. While they are still consuming fine wine, they concern more about the characteristics of the wine and have better acceptance to wine products from the new world regions. There are two reasons of this change as per the interviewees. Firstly, the swift twist in consumption pattern after the anti-corruption campaign in Mainland China reduced their spending on all sorts of luxury goods. Meanwhile, the top-tier high rollers reduced their visit to Macao. Secondly, the wine consumers from Mainland China are growing fast in terms of their wine knowledge, as most interviewees stated that these wine consumers learn and grow faster than the local market in Macao. The popularity of the TV series about the history of different cuisine in Mainland China encouraged learning the story behind food and beverage with unique history (interviewee C), while wine was a “new” imported element in the Mainland market, more consumers considered wine consumption a new learning and therefore held a relatively high acceptance to the wine culture (interviewee D). Their demand of wine, other different alcoholic beverages, and the related service will increase and diversify. The change of this group of wine consumers shaped the pattern of on-trade consumption in Macao and therefore influence the sommelier most.

Nurturing Local Sommeliers in Macao

The nature of the job affects how one is trained and groomed for the job. Similar to existing literature, the role of sommeliers in Macao varies across company, but generally include the sales and service of wine, management of wine list and inventory, and wine training to other service staff. Some also need to assist the organization of public wine events like tasting workshop and wine seminars. In addition, they also need to assist wine related tasks in major corporate functions since most sommeliers work for large casino complex.
Meanwhile, when wine is enjoyed as a complement to food, the diversity of gastronomy available in the market affects the complexity of food pairing, not to mention there are different types of beverages that consumers enjoy with food. Under this context, the sommeliers are expanding their scope of expertise in addition to wine. Spirits, Japanese sake, and tea are the popular topics of further learning for sommeliers internationally. Despite the fact that the profession of sommeliers in Macao only emerged approximately a decade ago, they are also catching up with the same trend, and are perhaps taking the cutting-edge position in further development. Interview C shared that her company is not just introducing the training of Chinese spirit (baijiu) into internal wine training unit, but also aiming to formalize the structure into a systematic course, given that there isn’t an option of recognized courses available in the market for this beverage like those for wine, spirit, beer, tea, etc.

The limited but increasing resources in grooming young sommeliers provides great prospect for sommeliers in terms of career development. Sommeliers will be able to make good use of the training support or opportunity provided by some employers who are willing to invest in sommelier development, acquire broaden knowledge of different beverages and prepare themselves for opportunities of advancement. Nevertheless, this may also impose challenges in attracting local talents as they have to cope with the increasing expectation of sommelier in this market when they may not have sufficient wine background themselves. They have to confront the pressure of learning all diversified knowledge in beverage with their passion and persistence. Meanwhile, the interviewees generally commented that the locally available courses may serve someone to start as a sommelier only at an entry level. However, sommeliers apparently need to continue their learning. The training gap increases the barrier to develop the competencies of sommeliers if they are not working for employers spending significant investment in wine training.

As a result, there is a relatively high barrier for entering this profession and therefore restricted the growth. Meanwhile, the labor market does not have a clear understanding about this profession because of their low visibility when they concentrate in a small number of casino complex. The extremely low employment rate in Macau (1.7%, as in Statistics and Census Bureau Macao, 2019a) allows the local residents to choose among different vacancies, and this further reduces the pool of interested individuals who may join this sommelier when they do not know about it and the barrier of entry is significant.

Implication

Both local and tourist markets are growing in terms of their wine knowledge and the numbers of wine consumers. There will be more wine consumers who need or have higher expectation of professional wine service. The demand for sommelier will only continue to grow when more properties are established with more upscale restaurants. Employing expatriate is an option but there is a critical need to nurture sommeliers from the local workforce, mainly because of the strict labor policy and the long term development of the profession. Grooming local sommelier is the answer to this key issue. Based on the discussion, three major factors that affect the further development of sommelier were identified – wine culture, wine education and understanding towards this profession.

The unique market environment in Macao makes all these three factors closely related to casino operators. The upscale restaurants are dominated by these casino operators, who now have the highest demand of professional wine service for the guest experience, and therefore hire the most sommeliers. These operators have the best resources because of the lucrative gaming business. This situation is a double-edged sword because the
development of sommeliers is significantly influenced, either positively or negatively, by how these operators perceive the importance and value of this profession, or the worthiness of further investment.

Wine culture of the local market is one of the major hindrances. No doubt it will thrive over time but the cultivation process can be further facilitated with more wine related events. These operators have the best conditions to organize or assist the organization of wine events. These events will also allow high exposure of sommeliers because of their high involvement or contribution. Their exposure and contact with the public allow them to deliver a clearer image in the market. However, such investment in wine events is not solely for the benefits of sommelier, it will also contribute to the bottom line in the long run when wine consumption in dining becomes a common norm in the local market as well.

Training gap is another factor in grooming local sommelier. This gap can be reduced when casino operators provide adequate support and send their junior sommeliers for courses unavailable in Macao; alternatively, they may also structure their internal wine training in a systematic way that offer similar level of learning to other recognized courses. This alternative approach will also benefit other staff in the company while both approaches will contribute to internal staff development. To take a further step, these operators may also consider introducing wine courses currently unavailable in Macao and co-organize it with local training or education institution. In this case the training gap can be bridged, the wine culture grows at the same time when the public get access to these courses. Meanwhile, these companies who take this initiative can strengthen their brand image in association with the professional wine service in the market.

On the other hand, if these operators do not perceive their promotion of wine culture a good investment, they may not be encouraged to take the lead. Casino complex provide a wide variety of products and service while F&B is not the most profitable one. The “marginal” return of these types of wine promotion in the short term, if any, may not be significant to justify the need to do so. Their perceived value of these initiatives affects how much effort they put in cultivating the wine culture and bridging the training gap, which affect the promotion of wine culture, the sustainable growth of wine business and talents in sommeliers in the long term.

**Limitation**

Although the purpose of this qualitative study is not to find generalizable result, the limited number of local sommeliers allows a higher possibility of collecting views that represent the population of local sommeliers. Meanwhile, as per discussion above the sommeliers in Macao concentrate in casino complex, the result of this research is less applicable to other on-trade consumption business.

**Acknowledgement**

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**Reference**


Selfies as tourism destination image induction tools: A Study based on the Visit London Top 11 Selfie-spots Guide

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Abstract

The expansion and popularization of the use of internet and social networks virtually marks every aspect of an individual’s life, who inevitably forms part of a digitalized society. Tourism, is no exception. The behavior of potential travelers at the moment of choosing a destination, the actual organization and purchase of a trip and subsequent feedback are induced by either sought or incidental information that is disseminated in digital media and social networks. Hence, each subject becomes a transmitter of the travel experience, a content co-creator (Sigala, 2017; Yang, 2015) and turns into an organic agent of the formation of the destination tourism image (Camprubí, Guia, & Comas, 2013; Gartner, 1994).

Through digital auto-portraits or selfies and social network sharing, the tourist integrates immediately with the destination, hence, the tourist experience has as integral component the relation to their visual recording equipment and social media audience (Dinhopl & Gretzel, 2016). On these circumstances, the traveler creates user generated contents (UGC) under a mobile environment (Hew, Tan, Lin, & Ooi, 2017); the quest for the extraordinary that “the tourists seek to visually consume and photograph is now in large part provided by tourists themselves” (Dinhopl & Gretzel, 2016).

Therefore, through social media interaction the tourists play a central role in both the co-creation and consumption of their experiences and the co-construction of content and meaning, which in turn influences the way tourists interpret, select, and evaluate their experiences (Sigala, 2017); hence the travelers’ pre-consumption expectations of the destination and the confirmation decision (Jenkins & Olivia H, 1999; Urry, 1992) as well as, the traveler post-experience and satisfaction are moderated by social influence (Sedera, Lokuge, Atapattu, & Gretzel, 2017). Furthermore, the tourist considers user generated contents as more reliable than the official Destination Management Organizations’ (DMOs) promotional efforts (Lyu, 2016).

Although, the exposition of destination images in social media, might be perceived as lack of control of the DMOs over images, it does in fact challenge the DMOs on the knowledge of destination image consistency, so that positive image may be reinforced, or an inconvenient one, countered (Stepchenkova & Zhan, 2013).

Therefore, due to the pervasive use of travel selfies in contemporary tourism, this research aims to determine whether DMO’s shall consider selfies as tourism image induction tools.

Since the use of selfies has been broadly studied almost exclusively from a psychological frame of reference, the tourism image formation research prospect presented in this study promotes an innovative perspective in this matter.
In this context, this research conducts a study based on the London’s Destination Management Organization (DMO)’s “London Top 11 Selfies Spot Guide” published on their official website (London and Partners, n.d.). London is the most visited city in Europe and the one with the highest international visitors’ overnight spending (Euromonitor International, 2017; Mastercard, 2017).

As part of the literature review, the DMOs publicly-published, social media and digitally-accessible marketing plans were consulted with the purpose of gathering other relevant information to complete the results of this research, provided that, the London DMO, the London Greater Authority and the National DMO Visit Britain have made clear that the digitalization of society and the implications in tourism represent an important element of their future planning strategies, related to four strategic areas:
1) Pre-visit promotion.
2) Visitor experience and information.
3) Infrastructure and amenities.
4) Developing the infrastructure for business visits and events.

All four areas include strategies that harness digitalization and the use of new technologies, such as the existing Visit London app (London and Partners, 2018), the encouragement of information and communication technologies use in museums and cultural and heritage attractions, and improving visitor access to digital information and curated and personalized contents, through public wi-fi access and other facilities, that are considered key priority to the Major’s smart-city development plan (Greater London Authority, 2018).

Social media are also considered key channels to the development of marketing and management strategies planning. The London DMO remarks that these allow visitors to play a central role on the creation of content, and that engagement and their access to information “on the go” is important for visitors. (Visit Britain Research, 2016). Consequently, from these results we can extract that online marketing strategies focused on social media channels and user generated contents are key for the London tourism destination image and branding management, and selfies could be used as image induction tools.

To elucidate if there was any DMO initiative related to selfies as destination image induction tools, also, their official website, their Instagram official account and the users generated content published on their personal public Instagram profiles were evaluated. In order to determine the sample size, each selfie spot was assigned with the two most popular hashtags per spot on Instagram. A total number of approximately 9.5 million posts using the 22 hashtags was disclosed and a total of 343 selfies were registered amongst the total of hashtags, representing 4.35% of the global sample size, an expected result in comparison with previous studies and findings made by the Selfiecity.net algorithm (DigitalThoughtFacility, 2014).

Once the data were drawn, in order to answer the research questions, the images that complied as selfies were analyzed under other criteria related to functional attributes of destination image measurement; that is: Is the selfie geotagged with the pertinent geographical reference? Does the selfie show the promoted spot as background of the image? – relevant to the promoted attraction-, and, Does the selfie use the official DMO promoted hashtag #VisitLondon, hence motivating engagement in the production of selfies, as elements to conclude if these had somehow induced the London destination tourism image?

The resulting findings have led to theoretical and practical implications, reflected as guidelines for DMOs strategies to promote the use selfies as image induction tools as well
as, they are a first step into further research related to the behavior of digital tourists in a social media environment with the creation of User Generated Contents (UGC) such as selfies; their interest for the future promotional efforts of DMO’s, the modifications of selfies behaviors related to the tourist attractions and motivations, and engagement levels when comparing selfies to other types of tourism photography.

Conclusively, an examination of the results, indicated the relevant relationship of the creation and hence, the use of the hashtags related to each promoted place on the selfie-spots guide and the three criteria that were applied to the analysis with support from the previous literature. Particularly in the aspects related to posting selfies on social media, the user generated hashtags and an intensive promotion of official ones, becomes a priority, since the generation of this type of engagement would allow the DMO not only, to promote their desired image and attractions; but would also be a way of gathering more useful data on the actual activities and contents that the London visitors are creating; in order to develop accurate strategies to enhance their global experience in the city, and elaborate content induction material, while promoting the correct geo localization to use it as an information gathering element. The correct promotion of the selfie-spots and other attractions, certainly, shall be a prime focus on their strategies related to tourism image induction.

Furthermore, the analyzed travel selfies promote the locations as the background in the composition of the image, as expected from the previous studies analyzed on the literature review. The high rate of use of this criterion shall be considered by the London DMO as of great potential for the destination tourism image induction and elaborate strategies that will engage the users in further generation of selfie-contents that could promote a determined perspective and background on their natural production of visual material, and as a result, use selfies as image induction tools.

References


Networks and Platform-based Tourism: Co-creation determinants in rural tourism

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Abstract

The latest literature evidences that technology is driving a shift towards networks and platform-based tourism business models. Tourism experiences are co-created by all stakeholders involved during the practice of the experience, when knowledge is shared between them. The present study explores the contribution of collaborative dynamics in rural tourism, so that a systemic view of value creation in rural tourism can be conveyed. Essentially, it is suggested that knowledge sharing, and technology readiness can help us to better understand value creation processes.

Introduction

Last decades have evidence that technology is driving a shift towards networks and platform-based social and economic models. In tourism, the value of the experience is not only created by the firm and its customers but is embedded in a larger social and physical context of what is being experienced (Hoarau & Kline, 2014; Prahalad & Ramaswamy, 2004). Value, therefore, can be co-created by all stakeholders involved during the practice of the experience, when knowledge is shared between them. This co-creation of value allows for knowledge transfer because customers, providers and other actors are engaged in joined practice. This being so, both information technology capacity and progressive network are of great significance to tourism organisations.

Rural small businesses suffer from the additional problem of limited resources, financial, technological and human (OECD, 2001). For this group of organisations, technology and the information-sharing itself can be of crucial use, if they can be ease of use, and do not presume too expensive expert support. The question then arises is whether, rural small businesses and destinations are prepared for the new digital and collaborative environment, and how will players forge new relationships in response.

The objective of this paper is to further explore the contribution of collaborative dynamics in rural tourism, so that a systemic view of value creation in rural tourism can be conveyed.

Related Work

The latest report commissioned by Amadeus IT Group (Amadeus, 2016), suggests that the success in the travel distribution will require new business models based on collaboration, alliances and shared innovation. In a consumer driven market, small and large enterprises will depend on a deeper understanding of consumer expectations and adapting to this changing market to design meaningful travel experiences.

Responding to consumer expectations will imply the capacity to react with broad collaborations for aggregating, processing and utilizing the information involved. The emergence of sharing economy and the platform economy built in some of the
mentioned capacities and transform traditional tourism industrial models and stakeholders (Dredge & Gyimóthy, 2015). Collaboration among organizations and their customers is also gaining new importance in the field of smart destination concepts (Gretzel, Sigala, Xiang & Koo (2015a). Thus, it is becoming increasingly clear that within the new smart paradigm, all actors in the destination rely on voluntary exchange of knowledge and competences.

Co-Creation and collaborative relationships

Tourism value creation involves input obtained through the market, privately (e.g., personal, friends, family) or publically (e.g., government) provided (Boes, Buhalis, & Inversini 2016). Thus, value creation is always an interactive process that takes place in the context of a unique set of multiple exchange relationships. Hence, value creation is mutual and reciprocal (i.e., service is exchanged for service), and goods may be vehicles for service provision, rather than primary to exchange and value creation (Vargo & Lusch, 2008).

This understanding of value creation requires a more generic conceptualisation embedded relationships of economic (and social) actors who through interaction and reciprocally create value in complex systems, what we call “service ecosystems” or “tourism ecosystems” (Vargo & Lusch, 2011, Gretzel et al., 2015). Added to the cutting-edge technologies provision to information structures for the development of a digital ecosystem, it is the interconnectivity of heterogeneous human actors in smart places that populate a destination ecosystem (Gretzel, Werthner, Koo & Lamsfus, 2015b; Chandler & Wieland, 2010).

The need to adapt to this rapid change in technology as a mean of facing the new collaborative business models, requires a profound understanding of the technology enabled relationships among the rural tourism enterprises and their customers. To date, the understanding of the additional components of smart technologies in the rural domain tourism such as human actors and their interaction with technology for value co-creation is limited (La Rocca, 2014).

Technology enabled relationships in rural tourism

In the last decades rural areas along the world have shifted their economic activity towards tourism and hospitality, which has brought a strong development on rural tourism (Reino, Alzua-Sorzabal & Baggio, 2013). In a context in which rural areas were suffering an economic crisis and with the peoples’ increasing interest in nature and in rural settings, many farms decided to become establishments to lodge tourists. Rural accommodations, therefore, are in the core of rural tourism, as the main service supplying lodge for tourists in rural areas.

The OECD recognised, already in 2001, the strategic role of Information and Communication Technologies (ICT) of the rural settings as a necessary element to overcome the challenges related to their communication. The existing studies about technology adoption in rural establishments’ shows different levels of adoptions, and when analysing the underlying reasons for that, there is not much consensus (Reino et al., 2011: 68). The conducted studies show that there is, still, a great need to further analyze the use of technology by rural organizations (Blanco and Cánoves (2005); Sinde et al. (2006); Nieto et al. (2010); Polo et al. (2011). The few empirical studies published tend to focus on some isolated aspects (i.e. level of education, access to internet) in an independent way and there is also evidence that the rural accommodation has increasing barriers in
dealing with technology-based systems (San Martín & Herrero, 2012). Despite the advances in the academic field, the understanding on co-creation processes through the lens of technology in the specific context of rural tourism remains scarce (Reino, Frew, & Albacete-Sáez. 2011).

**Methodological Design**

Aiming to test the purposed model (see below), an online survey was designed to measure the co-creation intention with respect to the constructs of interest. The survey instrument was compiled adapting measurement items generated from the literature, following the Technology Acceptance Model (TAM) which can be grouped as (1) Behavioural Intention aiming co-creation (indicated as _BI); (2) perceived usefulness ((indicated as _PU) and (3) perceived ease of use (indicated as _PE). In order to get a greater picture, for this research we added some other variables related to information and knowledge consumption, digital dived and rural accommodation demographic characteristics.

To measure scales were 5-point Likert-type scales in the case of the variables measuring the adapted constructs of TAM. The variables measuring the characteristics of the rural accommodation and the socio-demographic characteristics of the person answering to the survey used either dichotomic or nominal variables.

Co-creation and readiness to collaborate was conceptualized in this study as a multidimensional construct. The items were listed in random order and administered via a five-point Likert-type scale asking respondents to indicate their level of agreement. In the proposed model, “Co-Creation” is predicted as a linear combination of the other group of variables, part of the main constructs.

![Theoretical Model](image)

**Fig.2. Theoretical Model**

The study was conducted in the province of Gipuzkoa (Basque Country, Spain), a region where tourism activity has expanded in the rural area mainly due to its inland territory close to the main tourist cities of Bilbao and San Sebastian. Data analysis was carried out
using the statistical package SPSS and the Structural Equation Modelling in AMOS (version 23.0).

**Results**

The initial results of the study are associated with the characteristics of the business demography of rural tourism. The result profile aligns with other studies inland Europea, showing that businesses in the rural areas usually micro-businesses, and shortfall employees and skills (Fuentes Luque, 2009; Reino et al, 2011). The sample in this study is composed mainly by Cottages (52%), followed by Rural guest houses (31%). In terms of the size of the accommodation, the majority of the establishments in the study were between 9 and 12 places and between 13 and 17 places (38% and 24% respectively). The 7% of the establishments had over 25 rooms and the 19% of them had up to 8 rooms.

The person answering to the survey was usually the owner of the establishment (88.5%), and tend to have vocational training (40.7%) and university degree (22.2%), and just the 1.6% of the surveyed people mentioned to have a degree or training in tourism or to tourism.

*Structural Equation Model*

The designed “co-creation” model helped conceptually answering one of the the main research questions involving Co-creation its direct connexion to technology readiness, to the use of knowledge and information to support business performance. And indirectly related, to constraints lined to the gaps in access to information and communication technology (ICT), whether individuals, groups; as well gaps that were related to learning and accessibility to resources.
The primary goal of this paper and the SEM has been to determine and validity of the proposed causal process and/or model. The Goodness of fit statistics calculated indicates that the proposed model is appropriate. The goodness-of-fit test statistics are displayed below. Please note the Chi-square test statistic is not significant at 0.01, which suggest that the model fitting is acceptable.

Relative Fit Indices (IFI, TLI, NFI) was performed to specifies that all measured variables are uncorrelated (there are no latent variables). All of them have values that range between approximately 0 and 1.0. These indexes have generally been used with a conventional cutoff in which values larger than .90 are considered good fitting models.

Table 1. Relative Fit Indices

<table>
<thead>
<tr>
<th></th>
<th>NPAR</th>
<th>CMIN</th>
<th>DF</th>
<th>P</th>
<th>CMIN/DF</th>
</tr>
</thead>
<tbody>
<tr>
<td>Default model</td>
<td>99</td>
<td>934,560</td>
<td>312</td>
<td>.000</td>
<td>2,995</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Baseline Comparisons</th>
<th>NFI</th>
<th>RFI</th>
<th>IFI</th>
<th>TLI</th>
<th>CFI</th>
</tr>
</thead>
<tbody>
<tr>
<td>Default model</td>
<td>.303</td>
<td>.156</td>
<td>.395</td>
<td>.217</td>
<td>.354</td>
</tr>
</tbody>
</table>

Root mean square error of approximation (RMSEA) is 0.1 Hu and Bentler (1999) empirically examined various cutoffs for many of these measures, and there data suggested that one should use a combination of one of the above relative fit indexes and the SRMR (good models < .08) or the RMSEA (good models < .06). Hence, the
results of the Model Fit Summary suggest that further work is needed on the design of the model.

Discussion

In general, this study has conveyed some important indication between collaborative technologies, knowledge and information sharing and co-creating value proposition. Adapting to the changing market requires both, the adoption of a new collaborative skills and competences. In that sense, this early empirical study evidences that knowledge and technology driven innovation is significant for tourism organisations to be in relation with other businesses and customers. This is especially important for small business in non-urban environments, characterised by a slower path in the adoption of the new economic and social collaborative models. Failure to recognise the impact of the networks and platform-based models could drive to open the digital divide and lose competitiveness with respect to businesses established in the urban settings.

In terms of the determinants of co-creation, the design model needs continue developing and a deeper analysis. The initial result has indicated some progress in revealing new factors with significant influence on the core variables of the model. Consequently, future reach should enhance the initial proposition with extended empirical work.

References


Acknowledgements

This research was supported by San Sebastian Region Tourism Observatory of Gipuzkoa Provincial Council. We would also like to show our gratitude to the rural accommodation sector of Gipuzkoa (cottages, rural guest houses, etc.) for sharing their reality through the survey.
Abstract

The public administrations of tourism destinations are implementing measures linked to the Sustainable Development Goals (SDG). However, the SDG’s application in sectors such as restaurants is still beginning. It is for this reason that the present work aims to describe and give examples of good practices on restaurant’s sector link directly to SDG.

Introduction

Tourism is a phenomenon that has become one of main source of wealth of many cities, regions and countries, representing last year -2018- the 10.4% of global GDP (UNWTO, 2019). The tourism destinations and their host communities suffer mutations, named impacts, link to negative and positives issues (according to Gómez y Martín -2019, p. 327-, the impacts can be understood as a threat but also as an opportunity to the destination). It is noted that tourist also receives impacts of the activity they are done, but the scientific literature has not study this point very much.

The Agenda 21 for the Travel and Tourism Industry, that outlines steps that governments and private companies can take to implement the goals of the Rio Earth Summit, had considered tourism industry as an economic sector that can contribute positively to achieve a more sustainable planet (Linares, Betancourt y Caridad, 2019: 85). However, different examples around the world (Barcelone, Venice, Thailand, Cartagena de Indias, etc.) have revealed that the destinations managers have to develop strategies according to sustainable development policies.

There are different points of view about sustainable development concept and implementation (López Palomeque, 2007). Nevertheless, its academic origin is due to Krippendorf (1977), although its popularisation arrived in 1987 when the World Commission on Environment and Development wrote the Brundtland Report, which legitimize and expand the sustainable development notion. This report emphasizes the obligation to cover the present needs without compromising the possibility of future generations to find solutions to their needs.

In 2004, UNWTO concluded that sustainable tourism has to take into account the present and the future needs of hosts and guests’ communities, ensuring its three dimensions: economic, socio-cultural and environmental.

On January 2017, United Nations Development Programme (UNDP) launched, according to Agenda for Sustainable Development, the Sustainable Development Goals (SDG). These included, as UNDP (2019) stated, “to end all forms of poverty, fight inequalities and tackle climate change, while ensuring that no one is left behind".
The public administrations of tourism destinations are implementing, with the aim of guaranteeing the long-term competitiveness, measures linked to the SDG, either to prevent future problems (destinations under development) or to avoid dying of success (mature and saturated destinations). Also, there are hundreds of major international hospitality corporations which have already integrated SDG in their strategy, such as Accor and Fairmont Hotels & Resorts (Houdré, H., 2008).

In the restaurant sector, we can also find examples of good practices connected with SDG. Among them, we can highlight, in line with SDG 2 Zero hunger, the project Food for Soul, created by the Italian chef Massimo Bottura and Lara Gilmore, that works with different partners (Lavazza, Cacao Barry, etc.) to empower communities to fight food waste through social inclusion. The project is structured around “Refettorios” (where guests in need are served nourishing dishes in social atmospheres) y de los “Social Tables” (once a week families and individuals are invited to join a table to create community).

Another interesting idea linked to SDG 8. Decent work and economic growth, is the project “humanizing the gastronomy” of El Celler de Can Roca (Girona, Catalonia, Spain), which was recognised last year as the second-best restaurant in the world.

Furthermore, the small restaurants, that until now have been focussed on recycle, recover and prevent the food waste (Maurad, 2016) and on transformation of customer demand to healthy food (Aschemann-Witzel, J., Ares, G., Thogersen, J. & E. Monteleone, 2019) is also beginning to develop more ambitious projects, such as those mentioned in this article.

Methodology

This article analyses examples of restaurant practices of 3 SDG in which restaurant sector can contribute directly. To complete the study, we performed a literature review through keyword’s identification and 3 in-depth interviews:

| Interview 2: Restaurante La Cuadra de Antón (Gijón, Asturias) | Interviewee: Noelia de Prado (chef) |
| Date: 13/09/2019 |
| Interview’s system: email |
| Interview 2: Universo Santi (Jerez, Andalucia) | Interviewee: Ángel Prado (General Manager) |
| Date: 10/04/2019 |
| Interview’s system: telephone |
| Interviewee: Gloria Bazán (Human Resources Director) |
| Date: 10/04/2019 |
| Interview’s system: telephone |
| Interview 3: Restaurant La Sal del Varador (Mataró, Catalunya) | Interviewee: Ricard (General Manager) |
| Date: 03/06/2019 |
| Interview’s system: email |

Source: Own elaboration
Results

SDG 10 Reduced inequalities: La Cuadra de Antón (Gijón, Asturias)

The restaurant La Cuadra de Antón has the aim to give value to the agrifood producer’s hard job, who work for the sustainable development of the rural areas. Almost the whole offer is “handmade”, such as bread, cold meats, ice-creams and quartering of local breeds.

The product traceability from the origin is basic for them in order to take advantage of the products whose artisanal and ecological usage is of absolute quality and conscience. Using that system they can offer to their customers a healthy and responsible food, supported by seasonal and proximity production, ecological and specialized in indigenous breeds.

The restaurant’s Manager grew up in a rural environment; the fact of being in contact with that atmosphere made her love, comprehend and value the nature as well as the rural culture, with its pros and its cons. For that reason, La Cuadra de Antón is an ethical restaurant, sustainable and focussed on the customs, traditions, folklore and language of Asturias. Its business model gives value to the producer’s work and the rural environment; they support the rural areas and all what it involves. They highlight that “we need a small-scale local production model that settles the population in the rural environment”. Moreover, they collaborate with social and environmental organizations and they are embraced by several organizations and certifications that proof their commitment with quality and responsible tourism.

They support local social businesses that promote an economical model at the service of the persons and the social good, such as La Xanda, a textile company that employs women that have suffered physical or mental gender violence; they are in charge of the elaboration of the server’s uniforms. They also create capacitation and environmental education workshops, improving the silviculture knowledge among the rural area population.

They compensate their carbon footprint (CO2) helping social and environmental projects in developing countries, so they can have environmental benefits by mitigating the climate change and all its consequences, and social benefits, by improving the quality of life, creating jobs…

The rural depopulation in Spain is a real problem and the migrations from the rural areas to the cities do not stop growing. The commitment of La Cuadra de Antón for the nearby products, as well as the workshops and the environmental education and capacitation, show the capacity of a restaurant in achieving the Sustainable Development Goal 10 “Reduced inequalities”, through the job creation and development opportunities in rural areas. Through its participation in environmental projects in developing countries they also contribute in reducing inequalities between different countries.

SDG 8 Decent work and economic growth: Universo Santi (Jerez, Andalucía)

Universo Santi is the first haute cuisine restaurant in the world in which all the staff is formed 100% by people with some disability. The project was created for DKV Integralia foundation, part of DKV Seguros, that has been training and incorporating disabled people to the labour market for more than 20 years.
Fundación Universo Accesible (Accessible Universe Foundation), the foundation that manages the restaurant, is created to incorporate disabled people on work areas that were not covered; in this case, the *haute cuisine*. One of the goals is to continue the legacy of the chef Santi Santamaría, who had a strong social commitment. People with disability incorporation is a part of the project, but not the only one; the most remarkable aspect of the project is the professionalism of its entire team in their daily work in order to obtain the first Michelin star; through their daily work people with disability demonstrate that they can get great results in a field as exigent sector as the *haute cuisine*.

According to Gloria Bazán, Human Resources Director, it's not only a job but a way of life that allow the employees to contribute in the professional aspect and enjoy autonomy and an independent life. Bazán highlight the need of equal opportunities for people with disability, a social group that suffers many prejudices in the work sphere.

Universo Santi is a great example of the restauration sector potential in achieving the Sustainable Development Goal 8 “Decent work and economic growth”, moreover for a social group like the disability people that have more difficulties to gain access to the labour market.

**SDG 12 Responsible consumption and production: Lasal del Varador (Mataró, Catalunya).**

The restaurant Lasal del Varador opened in 2007 with the aim of being the most sustainable as possible: they built the restaurant following the principles of the biodynamic architecture and they've worked all the aspects related with the sustainability that affect a restaurant. Nowadays, more than 80% of their food is ecological. They are committed to the energy efficiency and the electricity production with a photovoltaic roof that covers more than 50% of their needs. They also have invested in collective photovoltaic and eolic energy generation projects. In addition, they work in aspects like the sustainable mobility, the waste management and the water management.

The main challenge they've found to carry on the project was the intention of the Spanish government on 2016 to imposing a tax for using the sun as a source to produce energy, situation that threatened the financial viability of the photovoltaic plates. Nevertheless, the tax was not finally established.

Both customers and workers value positively the commitment of Lasal del Varador with sustainability. However, like they themselves emphasize “the most important is that the goals are realistic and accomplished”.

For the companies that also want to contribute to achieve the Sustainable Development Goals, Lasal del Varador advice to invest in all those goals that means economic saving and a positive impact to the brand. After that, step by step, they have to consolidate all the changes to become the most sustainable as possible.

Many actions can be implemented and not all of them represent a significant cost. In their website they explain what all they’ve done in order to help other companies. They also encourage these companies to join the movement that work to be more sustainable, through the website www.transicioenergetica.cat.

Due to the use of ecological food, the choice of the biodynamic architecture, the use of renewable energies and the waste management, Lasal del Varador is a great example of how a restaurant can achieve the SDG 12 Responsible consumption and production.
Conclusions

The Sustainability Development Goals, an initiative promoted by United Nations, embrace different issues across most areas of the human activity, such as climate change, prosperity, peace, etc.

The tourism and hospitality industry, that have become a major player in the world economy, generate a wide range of environmental, social and economic impacts (Jones, P., Hillier, D. & Comfort, D., 2017). The strong performance of that industry -the tourism and hospitality industry- are vital to address the challenges for the future tourism and ensure the competitiveness and sustainability of the tourism destinations.

In conclusion, as argued in that article, the implementation of policies linked to the Sustainable Development Goals do not require such a large amount of money. They can as well contribute to offer a better and more meaningful experience to the tourists and a better future for the next generation. However, it is a long-term process that requires the involvement and the consensus of all society’s actors.

References


From Sea to Land – Factors Affecting Shore Excursion Destination Choice

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Abstract

Set in Macao, this paper aims at capitalising on the enhanced convenience afforded by the recent opening of the record-breaking Hong Kong-Zhuhai-Macao Bridge by exploring the potential of Macao as a favourable shore excursion destination for cruise passengers using Hong Kong as either a home port or port of call. The cruise industry has huge potential both in terms of economic value as well as passenger volume. Nevertheless, most academic focus has been on the Western market which has started to show signs of stagnation while the growing Asian paradigm has relatively received less attention. This paper, as a beginning of a larger inquiry, explores the important factors affecting the choice of shore excursion destination among cruise passengers and whether there is statistical difference between the two sub-groups of cruise passengers, namely Hong Kong as Home Port and Hong Kong as Port of Call. The results reveal that cruise passengers consider “Ease of transportation connection”, “Destination attractiveness” and “Time in ship call port” as the three most important factors affecting their choice of shore excursion destination. In addition, the two sub-groups do not significantly differ in opinions except in a few factors such as “Personal preference”, “Advertising and marketing and communication influence”, “Availability of shore excursion organised by the cruise ship” and “Cost factor” in that port-of-call passengers unilaterally rate these factors with higher importance. More discussion on these findings are made in the result discussion section.

Literature Review

Background (Context)

The Hong Kong–Zhuhai–Macau Bridge (hereafter called HZMB) was inaugurated in October 2018 and was opened to public usage on 25 October, 2018. The bridge connects Hong Kong, Macau and Zhuhai where are the three major cities in the Pearl River Delta region. The bridge is 55-kilometer in length and it took nearly fifteen years from planning, construction to opening. It is the longest bridge-cum-tunnel sea crossing in the world (THB Transport and Housing Bureau, 2019). The bridge operates 24 hours and connects major cities in the Pearl River Delta within a three-hour land transportation. It takes only 40 minutes to travel from Hong Kong to Macao or Hong Kong to Zhuhai. There are land borders among the three cities. Everyone is eager to see how this “three-hour life circle” can enhance people mobility and exchange. This of course will bring implication to tourism activities which are also related to people mobility and exchanges. Thus, capitalising on Hong Kong being a transportation hub (air / land /sea) and with strategic planning, nearby destinations can attract cruise passengers to make day trips or even include them as part of their multiple-destination trip plan.

Macao, neighbouring with Hong Kong and Zhuhai, was under the Portuguese’s administration for around five hundred years and it was returned to China in the year of 1999. The city has been developed as the World Centre of Tourism and Leisure, with
several large integrated resort hotels. World class entertainments are provided in the city. Moreover, the Historic Centre of Macao was inscribed on the UNESCO World Heritage List where offers unique historical and cultural landscape. The city received 35.8 million tourists’ arrival in 2018 (DSEC Statistic and Census Service, 2019). This unique geographic and borders’ condition offers thought-provoking opportunity to investigate factors affecting cruise passengers in choosing onshore excursion in Hong Kong.

According to the research by X. Sun, Feng, and Gauri (2014), 100% of Chinese passengers would take onshore excursions when taking a cruise holiday. In view of the full operation of HZMB and that the Hong Kong Kai Tak Cruise Terminal’s passenger statistics have been increasing in multiples with the exception of the year 2018, which also resonates the signs of possible stagnation in the section (see Table 1 below). Nevertheless, riding on the waves brought about by the HZMB inaugurated end of 2018, the authors believe that the cruise industry can regain growth momentum, bringing benefits not just to the Hong Kong market, but also to the nearby cities and regions. With this agenda in mind, this research is thus formed to investigate the factors that cruise passengers look for when deciding which onshore excursion destinations to choose (or not) at ports of call.

Research Questions:
1. What are the profiles of cruise passengers in Hong Kong?
2. What are the important factors affecting cruise passengers in choosing onshore excursion?

Table 1 Kai Tak Cruise Terminal Year-On-Year Development

<table>
<thead>
<tr>
<th></th>
<th>Jun-Dec 2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pax</td>
<td>35,322</td>
<td>100,866</td>
<td>228,809</td>
<td>372,946</td>
<td>732,586</td>
<td>712,872</td>
</tr>
<tr>
<td>Lines Calling</td>
<td>4</td>
<td>8</td>
<td>9</td>
<td>18</td>
<td>16</td>
<td>17</td>
</tr>
<tr>
<td>Turns</td>
<td>4</td>
<td>17</td>
<td>43</td>
<td>69</td>
<td>161</td>
<td>143</td>
</tr>
<tr>
<td>Transits</td>
<td>5</td>
<td>11</td>
<td>13</td>
<td>26</td>
<td>29</td>
<td>28</td>
</tr>
<tr>
<td>Total Calls</td>
<td>9</td>
<td>28</td>
<td>56</td>
<td>95</td>
<td>190</td>
<td>171</td>
</tr>
<tr>
<td>Call Months</td>
<td>4 of 7</td>
<td>10</td>
<td>11</td>
<td>12</td>
<td>12</td>
<td>12</td>
</tr>
<tr>
<td>Ship Days / Utilization</td>
<td>15</td>
<td>49</td>
<td>75</td>
<td>120</td>
<td>216</td>
<td>198</td>
</tr>
</tbody>
</table>

*confirmed bookings as of Jan 2019
Passenger numbers based on ship’s declarations and do not include crew
Source: (KTCT, 2019)
Cruise Tourism Research

In a recent article on an overview of cruise tourism research by Hung, Wang, Guillet, and Liu (2019), increasing trends on cruise tourism are identified both in English and Chinese publication. Research studies written in English cover wider topics and have more quantity than in Chinese. Studies concerning customer satisfaction are the most popular topics among English cruise tourism research studies (Hung et al., 2019, p. 212). In addition, a large portion of the English studies are located in North America. It is logical due to the development stage of cruise tourism in North America is relatively more mature when comparing to the other parts of the World. In addition to the study by Hung et al. (2019), the authors have attempted to identify other studies concerning cruise tourism which reflect similar trends but with scattered effort. Research studies on cruise tourism, other than the focus on customer satisfaction, are very dispersed, for example, Niavis and Tsiotas (2018) looking at cruise product pricing composition, Han, Hwang, Lee, and Kim (2019) conducting a study to explain passengers’ decision-making process for environmentally responsible cruise products. Regarding research studies written in Chinese, they cover less topics and focus mainly on regional cruise development, such as cruise tourism planning, seasonal pattern of cruise tourism, cruise industry future and challenges. However, the studies covering destination management in Chinese are more than those in English, a total of 12 (Chinese) have been identified versus a total of 7 (English) (Hung et al., 2019, pp. 212-213). Nevertheless, they are mostly concerned with industry development, pricing strategies, competitiveness among cruise ports, there are seldom passengers-oriented studies, except the study conducted by (L. Sun & Qiao, 2010) on cruise marketing strategies in China. In addition, little is known about cruise passengers who have sailed in the Chinese territory. In view of the latest development of cruise ports in China and the increasing number of international cruise ships docking in Chinese territory, this surely warrants an academic void from the view point of cruise passengers cruising to/from China. In this particular study, the authors have selected Hong Kong as the study context.

Methodology

Method

The study uses quantitative survey and data were collected from cruise passengers by college students in Kai Tak Cruise Terminal in Hong Kong. Pre-approval was sought from the management regarding the possibility of having students conducting survey inside the terminal. Trained student helpers administered the survey. Students collected a total of 602 questionnaires from October to December 2016, covering the peak periods of Christmas and New Year. This paper interprets partial data from a larger dataset obtained from a questionnaire designed and adapted from several previous cruise studies (Brida, Pulina, Riaño, & Aguirre, 2013; McCalla, 1998; Wang, Jung, Yeo, & Chou, 2014) The core data used in this paper are the 13 factors for considering on shore excursion destination choice include political stability, transportation connection, visa requirement, language barrier, cost etc. Demographic data are used for profiling purpose as well as to identify if any significant difference exists in such factor choice between the two sub-sample groups namely home-port passengers and port-of-call passengers.

Sampling

The Kai Tak Cruise Terminal in Hong Kong was used as the hub for data collection. Special permission was obtained from the Terminal such that interviewers could station inside the restricted area of the terminal to collect first-hand responses from the cruise
passengers who were either disembarking from and/or embarking on the cruise ship. Since permission was granted over a period of three months only and with the special target of non-Chinese (including mainland Chinese, Hong Kong and Macao residents) the interviewers were instructed to maximise number of responses by approaching as many cruise passengers as possible, hence purposive sampling method was in place. As a result, a total of 602 valid questionnaires were collected.

**Data Analysis and Result Discussion**

*Profiles of Cruise Passengers in Hong Kong*

As depicted in Table 2, of the 602 respondents, most used Hong Kong as a home port for embarkation and disembarkation (428 or 71.1%) while the others came to Hong Kong as a port of call (174 or 28.9%). The cruise passengers were from four cruise ships representing four cruise lines, namely Celebrity Millennium (354 or 58.8%) from the Celebrity Cruises; Norwegian Star (103 or 17.1%) from the Norwegian Cruise Line; Diamond Princess (91 or 15.1%) from the Princess Cruises and Ovation of the Seas (54 or 9%) from the Royal Caribbean Cruises. Table 2 below provides details of the demographic characteristics of the entire sample. In summary, since this study only target non-Chinese cruise passengers (including Mainland Chinese, Hong Kong and Macao citizens), the profiles of the respondents were very international coming from mainly 5 countries (in descending order Britain, USA, Australia, Canada and Singapore) with a long list of scattered nationalities from all over the world. This aligns with one of the researchers’ assumption that cruise passengers’ profiles are very diversified and international. According to research by the CLIA (2019), 82% of North American cruise passengers are likely to seek cruises to long-distance destinations such as Asia. Asia is a fast-emerging market, and many cruise lines are very keen to expand into this region (Tan, 2011). From our sample American was the second largest segment, just second to the British. The special relationship between Hong Kong and Britain makes this very self-explained, though globally the British contributed to around 2% of the market. Indeed, cruise passengers stereotypically are considered to possess many desirable tourist feature such as highly educated with relatively high income, tendency to be repeat customers with long duration of stay. All these are also confirmed by our sample characteristics as demonstrated above.
Table 2 Demographic Characteristics of Respondents.

<table>
<thead>
<tr>
<th>Cruise Port</th>
<th>Count</th>
<th>%</th>
<th>Age</th>
<th>Count</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>HK as Home Port</td>
<td>428</td>
<td>71.1</td>
<td>18-23</td>
<td>8</td>
<td>1.3</td>
</tr>
<tr>
<td>HK as Port of Call</td>
<td>174</td>
<td>28.9</td>
<td>24-29</td>
<td>47</td>
<td>7.8</td>
</tr>
<tr>
<td>Total sample</td>
<td>602</td>
<td></td>
<td>30-35</td>
<td>50</td>
<td>8.3</td>
</tr>
<tr>
<td>Nationality</td>
<td>Count</td>
<td>%</td>
<td>36-41</td>
<td>61</td>
<td>10.1</td>
</tr>
<tr>
<td>British</td>
<td>133</td>
<td>22.1</td>
<td>42-47</td>
<td>61</td>
<td>10.1</td>
</tr>
<tr>
<td>American</td>
<td>95</td>
<td>15.8</td>
<td>48-53</td>
<td>50</td>
<td>8.3</td>
</tr>
<tr>
<td>Australian</td>
<td>58</td>
<td>9.6</td>
<td>54-59</td>
<td>85</td>
<td>14.1</td>
</tr>
<tr>
<td>Canadian</td>
<td>45</td>
<td>7.5</td>
<td>60-65</td>
<td>134</td>
<td>22.3</td>
</tr>
<tr>
<td>Singaporean</td>
<td>35</td>
<td>5.8</td>
<td>66 or above</td>
<td>106</td>
<td>17.6</td>
</tr>
<tr>
<td>Others</td>
<td>236</td>
<td>39.2</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Average length of cruise: 13.4 nights
Primary school or below: 10 1.7%
High school or vocational training: 121 20.1%
College degree: 117 19.4%
Bachelor degree or above: 234 38.9%
Master degree or above: 119 19.8%
N/A: 1 0.2%

Occupation

<table>
<thead>
<tr>
<th>Occupation</th>
<th>Count</th>
<th>%</th>
<th>Annual Income before tax (USD)</th>
<th>Count</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senior management</td>
<td>77</td>
<td>12.8</td>
<td>≤14,400</td>
<td>12</td>
<td>2</td>
</tr>
<tr>
<td>Professionals</td>
<td>115</td>
<td>19.1</td>
<td>14,401-21,600</td>
<td>20</td>
<td>3.3</td>
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<tr>
<td>White-collar worker</td>
<td>61</td>
<td>10.1</td>
<td>21,601-28,800</td>
<td>32</td>
<td>5.3</td>
</tr>
<tr>
<td>Blue-collar worker</td>
<td>8</td>
<td>1.3</td>
<td>28,801-36,000</td>
<td>66</td>
<td>11</td>
</tr>
<tr>
<td>Students</td>
<td>26</td>
<td>4.3</td>
<td>36,001-43,200</td>
<td>106</td>
<td>17.6</td>
</tr>
<tr>
<td>Unemployed</td>
<td>17</td>
<td>2.8</td>
<td>43,201-50,200</td>
<td>151</td>
<td>25.1</td>
</tr>
<tr>
<td>Self-employed</td>
<td>89</td>
<td>14.8</td>
<td>&gt;50,200</td>
<td>192</td>
<td>31.9</td>
</tr>
<tr>
<td>Retired</td>
<td>181</td>
<td>30.1</td>
<td>N/A</td>
<td>23</td>
<td>3.8</td>
</tr>
<tr>
<td>Others or N/A</td>
<td>28</td>
<td>4.7</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Factors Affecting Off-Port Excursion Destination Choice

After conducting descriptive statistics from the data set, the results reveal the three most important factors affecting off-shore excursion destination choice as shows in Table 3. They are “Ease of transportation connection” (4.59); “Destination attractiveness” (4.58) and “Time in ship call port / berth time” (4.56). These three factors are among the top three out of a total of 13 factors, having the highest overall mean between the cruise passengers using Hong Kong as a home port and a port of call. Meanwhile, “advertising and marketing communication influence” (2.75), and “perceived language barrier” (3.14) are the least important factors as revealed from the data. The three most important factors are easy to be understood. Those reflect the pull factors of the classical motivation in tourism (Crompton, 1979), for example the tangible attribute of a destination – ease of transportation connection. Together with the general “Destination attractiveness”, cruise passengers will then consider the time factor: “Time in ship call port / berth time”, available to explore the destination while cruise passengers are onshore. Berth time is critical to enhance or discourage onshore exploration, because cruise normally departs as scheduled. In order not to miss the cruise departure time, cruise passengers are advised in returning to the cruise prudently, an hour before cruise departure schedule. Thus, the
schedule berth time at a destination may exert a strong influence on cruise passengers’ motivation to visit the destination or how far they are willing to explore inland. In this case, it is valuable for a destination, nearby a cruise port to initiate a conversation concerning berth time with cruise liners which berth at the port. Alternatively, a destination managing authority may tailor a feasible itinerary and market to the cruise passengers at the port, in order to motivate visiting intention.

Despite the most important factors, it is worthwhile to take note on the least important factors. They are advertising and marketing communication influence and perceive language barrier. Consumers nowadays are being exposed to uncountable messages from various channels every day. The potential influence from specific advertising and marketing communication has become largely uncertain. With this finding, it reveals that cruise passengers are not easily affected by advertising or marketing materials, instead, the three factors discussed earlier are much more influential.

Further an exploratory investigation on whether home port and port-of-call cruise passengers hold different evaluation is carried out to supplement the big picture. As illustrates in Table 4, of the listed 13 factors, only 4 factors demonstrated significant difference between the scores given by home-port passengers (n=428) and port-of-call passengers (n=174). They are “Cost factor” (p=.014); “Advertising and marketing communication influence” (p=.001); “Personal preference (i.e. fulfilling self-wish, prestige of the destination, place that you have not been etc.)” (p=.017) and “Availability of shore excursion organized by the cruise ship” (p=.000). In particular, in all of these 4 factors, port-of-call passengers rate higher scores than that of home-port passengers. The implication is that, while there is overall alignment in evaluation of perceived importance in majority of the factors, when in cases significant difference presents, port-of-call passengers consider those factors more important than home port passengers. These four factors are mostly related to the “push factors” by (Crompton, 1979) except for the “Availability of shore excursion organized by the cruise ship” which can somehow be indirectly a push factor if one interprets it as a lack of self-confidence to explore the destination by oneself. The other three are quite obvious in that they are more internal/personal considerations (financial consideration, social influence and personal preference).
<table>
<thead>
<tr>
<th>Cruise passenger description</th>
<th>N</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Std. Error</th>
<th>Std. Mean</th>
<th>ErrorOverall Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>Time in ship call port / berth time at port</td>
<td>428</td>
<td>4.57</td>
<td>.637</td>
<td>.031</td>
<td>4.56</td>
<td></td>
</tr>
<tr>
<td>Cruise passenger using HK as a home port</td>
<td></td>
<td>4.53</td>
<td>.685</td>
<td>.052</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cruise passenger visiting HK as a port of call</td>
<td>174</td>
<td>4.55</td>
<td>.709</td>
<td>.054</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ease of transportation connection</td>
<td>428</td>
<td>4.60</td>
<td>.613</td>
<td>.030</td>
<td>4.59</td>
<td></td>
</tr>
<tr>
<td>Cruise passenger using HK as a home port</td>
<td></td>
<td>4.55</td>
<td>.709</td>
<td>.054</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cruise passenger visiting HK as a port of call</td>
<td>174</td>
<td>4.55</td>
<td>.709</td>
<td>.054</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Visa requirement / ease of obtaining visa and other customs formalities</td>
<td>428</td>
<td>4.01</td>
<td>1.144</td>
<td>.055</td>
<td>4.00</td>
<td></td>
</tr>
<tr>
<td>Cruise passenger using HK as a home port</td>
<td></td>
<td>3.99</td>
<td>1.128</td>
<td>.085</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cruise passenger visiting HK as a port of call</td>
<td>174</td>
<td>3.99</td>
<td>1.128</td>
<td>.085</td>
<td></td>
<td></td>
</tr>
<tr>
<td>My own physical / bodily conditions</td>
<td>428</td>
<td>3.91</td>
<td>1.101</td>
<td>.053</td>
<td>3.95</td>
<td></td>
</tr>
<tr>
<td>Cruise passenger using HK as a home port</td>
<td></td>
<td>4.03</td>
<td>1.050</td>
<td>.080</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cruise passenger visiting HK as a port of call</td>
<td>174</td>
<td>4.03</td>
<td>1.050</td>
<td>.080</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Political/economic stability (including perceived safety of the port destination)</td>
<td>428</td>
<td>3.81</td>
<td>1.023</td>
<td>.049</td>
<td>3.83</td>
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<tr>
<td>Cruise passenger using HK as a home port</td>
<td></td>
<td>3.90</td>
<td>1.105</td>
<td>.084</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cruise passenger visiting HK as a port of call</td>
<td>174</td>
<td>3.90</td>
<td>1.105</td>
<td>.084</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Environmental conditions (crowding, traffic, pollution, etc.)</td>
<td>428</td>
<td>3.69</td>
<td>1.043</td>
<td>.050</td>
<td>3.71</td>
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<tr>
<td>Cruise passenger using HK as a home port</td>
<td></td>
<td>3.74</td>
<td>1.048</td>
<td>.079</td>
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<tr>
<td>Cruise passenger visiting HK as a port of call</td>
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<td>3.74</td>
<td>1.048</td>
<td>.079</td>
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<td></td>
</tr>
<tr>
<td>Cost factor</td>
<td>428</td>
<td>3.70</td>
<td>1.146</td>
<td>.055</td>
<td>3.77</td>
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<tr>
<td>Cruise passenger using HK as a home port</td>
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<td>3.94</td>
<td>1.054</td>
<td>.080</td>
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<td></td>
</tr>
<tr>
<td>Cruise passenger visiting HK as a port of call</td>
<td>174</td>
<td>3.94</td>
<td>1.054</td>
<td>.080</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Destination attractiveness</td>
<td>428</td>
<td>4.58</td>
<td>.636</td>
<td>.031</td>
<td>4.58</td>
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<tr>
<td>Cruise passenger using HK as a home port</td>
<td></td>
<td>4.58</td>
<td>.698</td>
<td>.053</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cruise passenger visiting HK as a port of call</td>
<td>174</td>
<td>4.58</td>
<td>.698</td>
<td>.053</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Factor</td>
<td>Cruise passenger using HK as a home port</td>
<td>Cruise passenger visiting HK as a port of call</td>
<td>Significance</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>--------------------------------------------</td>
<td>-----------------------------------------</td>
<td>---------------------------------------------</td>
<td>--------------</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Peer influence / friends or relatives recommendations</td>
<td>3.30</td>
<td>3.32</td>
<td>3.31</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cruise passenger visiting HK as a port of call</td>
<td>3.32</td>
<td>1.317</td>
<td>.100</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Advertising and marketing</td>
<td>2.64</td>
<td>3.02</td>
<td>2.75</td>
<td></td>
<td></td>
<td></td>
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<td>Cruise passenger using HK as a home port</td>
<td>2.64</td>
<td>1.194</td>
<td>.058</td>
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<td></td>
<td></td>
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<tr>
<td>Cruise passenger visiting HK as a port of call</td>
<td>3.02</td>
<td>1.303</td>
<td>.099</td>
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<tr>
<td>Perceived language barrier</td>
<td>3.11</td>
<td>3.22</td>
<td>3.14</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Cruise passenger using HK as a home port</td>
<td>3.11</td>
<td>1.327</td>
<td>.064</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cruise passenger visiting HK as a port of call</td>
<td>3.22</td>
<td>1.373</td>
<td>.104</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personal preference (i.e. fulfilling self-wish, prestige of the destination, place that you have not been etc.)</td>
<td>3.98</td>
<td>4.21</td>
<td>4.05</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cruise passenger using HK as a home port</td>
<td>3.98</td>
<td>1.067</td>
<td>.052</td>
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<tr>
<td>Cruise passenger visiting HK as a port of call</td>
<td>4.21</td>
<td>.999</td>
<td>.076</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Availability of shore excursion organized by the cruise ship</td>
<td>2.98</td>
<td>3.52</td>
<td>3.13</td>
<td></td>
<td></td>
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<tr>
<td>Cruise passenger using HK as a home port</td>
<td>2.98</td>
<td>1.419</td>
<td>.069</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Cruise passenger visiting HK as a port of call</td>
<td>3.52</td>
<td>1.346</td>
<td>.102</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Lowest scores**
**Highest scores**
**Significant difference between two sub-sample groups**
<table>
<thead>
<tr>
<th>Factor Differences between Home Port versus Port of Call Passengers</th>
<th>Levene's Test for Equality of Variances</th>
<th>t-test for Equality of Means</th>
<th>95% Confidence Interval of the Difference</th>
<th>Confidence of the Mean Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Time in ship call / berth time at port</td>
<td>F = 632</td>
<td>t = .427</td>
<td>df = 600</td>
<td>Sig. tailed = .528</td>
</tr>
<tr>
<td>Ease of transportation connection</td>
<td>Equal variances assumed</td>
<td>variances = 2.764</td>
<td>t = .097</td>
<td>df = 600</td>
</tr>
<tr>
<td>Equal variances not assumed</td>
<td>Equal variances assumed</td>
<td>variances = .218</td>
<td>t = .641</td>
<td>df = 600</td>
</tr>
<tr>
<td>Equal variances not assumed</td>
<td>Equal variances assumed</td>
<td>variances = 1.884</td>
<td>t = .170</td>
<td>df = 600</td>
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<td>Equal variances not assumed</td>
<td>Equal variances assumed</td>
<td>variances = 1.113</td>
<td>t = .292</td>
<td>df = 600</td>
</tr>
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<td>Equal variances not assumed</td>
<td>Equal variances assumed</td>
<td>variances = .047</td>
<td>t = .828</td>
<td>df = 600</td>
</tr>
<tr>
<td>Equal variances not assumed</td>
<td>Equal variances assumed</td>
<td>variances = 5.405</td>
<td>t = .020</td>
<td>df = 600</td>
</tr>
<tr>
<td></td>
<td>Equal variances assumed</td>
<td>Equal variances not assumed</td>
<td>( t )</td>
<td>( df )</td>
</tr>
<tr>
<td>--------------------------------</td>
<td>-------------------------</td>
<td>-----------------------------</td>
<td>--------</td>
<td>---------</td>
</tr>
<tr>
<td><strong>Destination attractiveness</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equal variances assumed</td>
<td>.566</td>
<td>.452</td>
<td>-.057</td>
<td>600</td>
</tr>
<tr>
<td>Equal variances not assumed</td>
<td>-</td>
<td>.055</td>
<td>295.523</td>
<td>.956</td>
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<td><strong>Peer influence / friends or relatives recommendations</strong></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Equal variances not assumed</td>
<td>-</td>
<td>-.194</td>
<td>312.766</td>
<td>.846</td>
</tr>
<tr>
<td><strong>Advertising and marketing communication influence</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equal variances assumed</td>
<td>.601</td>
<td>.439</td>
<td>-3.451</td>
<td>600</td>
</tr>
<tr>
<td>Equal variances not assumed</td>
<td>-</td>
<td>-.325</td>
<td>297.071</td>
<td>.001</td>
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<tr>
<td><strong>Perceived language barrier</strong></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equal variances assumed</td>
<td>1.169</td>
<td>.280</td>
<td>-.987</td>
<td>600</td>
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<tr>
<td>Equal variances not assumed</td>
<td>-</td>
<td>-.973</td>
<td>311.173</td>
<td>.331</td>
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<tr>
<td><strong>Personal preference (i.e. assumed fulfilling self-wish)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equal variances not assumed</td>
<td>-2.463</td>
<td>340.964</td>
<td>.014</td>
<td>-.226</td>
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<tr>
<td><strong>Availability of shore excursion organized by the cruise ship</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equal variances not assumed</td>
<td>-4.397</td>
<td>336.781</td>
<td>.000</td>
<td>-.541</td>
</tr>
</tbody>
</table>

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Conclusion and Future Directions

This study was formed in an attempt to answer two research questions. The first question is to profile the cruise passengers (excluding Mainland Chinese, Hong Kong and Macao residents) who will fly/travel all the way to either board a cruise in Hong Kong (in this case home port cruise passengers) or select a cruise itinerary which includes Hong Kong as call port. The second question is to identify the important factors affecting cruise passengers in choosing onshore excursion. In addition, with the flourishing cruise industry in Asia and the completion of HZMB, the authors believe that it is opportune time to investigate this potential paradigm shift from Western focus to an Asian one in order to seek further understanding and cultivate future research agenda related to cruise tourism, especially in Asia.

For the profiles of the cruise passengers, the sample shows that they are very international coming from mainly 5 countries (in descending order Britain, USA, Australia, Canada and Singapore) with a long list of scattered nationalities from all over the world. This aligns with the report by the (CLIA, 2019) that most North American cruise passengers are likely to seek cruises to long-distance destinations such as Asia, proving Asia as a fast-emerging market with an upward development trend. The number one segment from our sample is the British owing to the special relationship between Hong Kong and England Our sample also supports the stereotype that cruise passengers are usually highly educated with relatively high income, tendency to repeat patronage with long duration of stay. To answer the second research question, preliminary data analysis has been made to identify important factors for cruise passengers to choose onshore excursion. They are 1. “Ease of transportation connection”; 2. “Destination attractiveness” and 3. “Time in ship call port / berth time”. These findings provide the first evidence in understanding cruise passengers’ onshore visiting intention to a destination nearby. Based on these findings, the researchers have suggested that a destination managing authority may pay attention to cruise liner berth time at port, in order to fabricate a feasible itinerary to attract cruise passengers visit. This, being the preliminary stage, forms a good beginning of a long investigation journey which may include more in-depth discussion on destination management of a cruise port city and the city near a cruise port.

Reference


To gain competitive advantage against competitors. A strategic decision matrix for Outdoor Hospitality Parks (OHP)

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Abstract

As competition among OHP intensifies, the need to adopt appropriate strategies is an obligation for managers to gain competitive advantage. OHP managers try to determine if they have to implement investments in their camp-site. The present paper addresses this issue and proposes a decision model for the OHP sector.

The tourism industry is ever an important resource for the economic development of territories. For some destinations, the Outdoor Hospitality Parks (Brooker & Joppe, 2011) sector is essential for that development. This is the case of France for example for which tourism represents in 2018 more than 7% of the GDP and generates 1.3 million direct jobs for 86.9 million overnight stays in 2018 (OMT, 2018). France as a destination offers 5.5 million touristic beds dominated by the Outdoor Hospitality Parks (OHP) sector (2.7 million beds - 49% of the global offer). With 7967 campsites (3500 for the United Kingdom and 2900 for Germany), France is the leading country in the European OHP sector (L’Officiel des Terrains de Camping – France, 2019). In this competitive context, camping chains and groups are minors in number, independent camp-sites representing more than 70% of the sector. Some of them offer a wide range of products and services within their establishment and are recognized as tourist destinations in their own right.

At the theoretical level, this situation recalls the economic and financial stakes of strategic management (Ansoff, 1965) and the significance of competitiveness advantages. If the competitiveness of destinations has been studied at length, that of OHP sector establishments still deserves analysis. Porter’s competitive advantage model (1990) is adapted in this paper to OHP. By doing so, this research note permits to underline different aspects of camp-sites attractiveness. The next section is about the literature review concerning attractiveness of OHP. We postulate that campsites must adopt a compensation strategy (Balkin, 1988) when the resources of the tourist destination are insufficient by increasing their internal attractiveness. By focusing on French establishments cases, we demonstrate the strategic divergences of OHP actors as well as the impacts of these diverse strategies on the average length of stay of tourists.

The literature on the OHP sector is thin and is particularly focused on sector’s innovations (Breen et al., 2006; Brooker & Joppe, 2011; Brooker & Joppe, 2013) or campsite pricing (Garcia-Pozo et al., 2010). Some papers are concerned by campsite competitiveness as Persic et al., (2018); Hardy, Hanson & Gretzel (2012) or business analysis as Arimond & Lethlean (1996) and Hayllar, Crilley & Bell (2007). The competition is fierce in the OHP sector which implies that campsite managers formalize their strategies. As mentioned by O’Neil et al (2010) and Mikulic et al (2017), is still growing a demand for quality servicing infrastructure in order to satisfy needs, wants and expectations of an increasingly demand. As describe by Rice et al. (2019) “With booking windows reaching six or more months in advance, the activity of selecting the perfect site becomes a leisure activity unto itself”. As a consequence, OHP owner-managers need to analyze their competition environment to propose the best camping’s upstream experience through communication tools relating facilities.
This contribution permits to identify the attractiveness strategies planned (location and camping amenities) by OHP managers to develop their competitive advantage. To maintain or develop their competitive advantage, camp-sites must have a business/competitive intelligence system to compare themselves against other OHPs. According to Porter (1990) advantages versus competitors are grouped into comparative advantages and competitive advantages named resources endowment or resources deployment (which is the logic of efficiency) by Ritchie & Crouch (2003). The competitive advantage of OHP is twofold depending on the attractive resources of the territory as a destination and internal attractive resources of camp-sites themselves. Competitive advantage of OHP is then characterized by a Collective Comparative Advantage (CCA) (linked to features of the territory) and by an Individual Competitive Advantage (ICA) rooted in competencies of the firm and its managerial capabilities.

The comparative advantage of a destination is defined by the attractive means that possess tourist destinations and serving tourist hosts. To define the comparative advantage of an OHP, we used criteria proposed by Ritchie & Crouch (2003) and formalize an external inventory of attractive resources in the OHP destination. That is the CCA of a tourist destination. Refer to Wernerfelt (1984), Hamel (1991) or Hamel & Prahalad (1995), ICA is based on the specific resources that permit the camp-site to stand unique. ICA is based on an inventory of OHPs internal resources in leisure and accommodation facilities (swimming pools, waterslides, SPA, restaurants, etc.).
Camp-sites must adopt a compensation strategy (Balkin, 1988) when the resources of the tourist destination are insufficient by increasing their internal attractiveness to remain competitive on the market as exposed in the figure 1. Two cases are of particular interest: the case A in which the OHP compensate a low level of touristcity and the case B in which the camp-site do not need to do so.

Figure 1 : Strategic decision matrix
A cartographic analysis matrix is developed to determine the strategic position of camp-sites. This matrix is based on ICA and CCA (figure 2). It allowed to identify the relations between the two resources, to formalize groups of analyzes and to identify the strategies of camping decision-makers.

Figure 2 : Strategic decision matrix using ICA & CCA
Camping A is positioned on a tourist destination with a low CCA level. In order to compensate the attractive deficit of the destination, Camping A has invested in individual competitive advantages to develop and sustain the OHP enterprise. There is a compensation of a low CCA score by a high ICA level (figure 3).

Figure 3: ICA compensate CCA
Camping D is on a destination with a high tourism potential. Many tourist attractions focused mainly on history and outdoor sports. The part of this collective comparative advantage is high. Nevertheless, the campsite has a low level of ICA. Camping D do not need to compensate its CCA level (figure 4).

Figure 4 : CCA compensate ICA
The current study lead to a compensation strategy of CCA deficit by ICA. Four groups stand out, we choose to integrate new variables as “percent of long stay (LS) and percent of Mobil-Home (MH)” to analyze the results of these strategies. we reveal that it is important to compensate low resources of a tourist destination by increasing OHP internal resources. A strategic position matrix is proposed and allowed to observe the different investment thresholds.

Figure 5: Strategic decision cartographic matrix ICA vs CCA

This matrix facilitates the observation of priority investments zones, those at risks and those where public investment is made urgent for rural territories. This matrix allows tourism decision-makers to rethink the attributing system of regional subsidies, warns potential new buyers of campsites and evaluate the initial contribution to refresh or start again an aged campsite.
Manager can observe its competitive position on the *figure 6* and identify its degree of competition intensity. Then, it permits to justify if the campsite need to increase their investments to conserve a competitive advantage and plan a specific strategy.

**Figure 6 : Degree of competition intensity in OHP sector**
Matrix n°4 allow us to declare that camping positioning in “No invest area” part, are facing two various strategies. Firstly, campsite with high CCA score, secondly, without high CCA score. In this case, its mean that campsites have not made important investments in leisure amenities and accommodations. Campsites planning other strategies will pivot and migrate toward “Invest area”.

Figure 7 : Position on current investment area

Through a multidisciplinary knowledge, this article contributes to the academic literature by proposing an innovative vision of strategic management for the OHP sector. Considering that the literature in this field is underdeveloped, this article offers strategic concepts to formalize the competitive advantage of campsites. This research provides concrete answers to stakeholders by recommending managerial solutions intended to be applied by business practitioners.
In this section, the figure n°8 permits to dispatch camp-sites into one of four strategic segments. These four orientations make it possible to consider studies on strategies adopted by OHP managers.

Figure 8 : Attractiveness strategies

Nevertheless, on each groups/segments, camp-sites are placed at the same level. To continue by analyzing OHP’s strategies, we will need to measure and precise the exact position of each camp-site in order to forecasting which are next sprint of investments.

Future research should propose a methodology to create specifics indicator to asses ICA and CCA levels of each camp-site. Following the integration of average length of stay of tourists into each segment, upcoming investigations ought to discuss of commercial and financial impacts of these strategies to make aware outdoor hospitality managers and facilitate them to take up better strategic decisions.

References


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