

Sustainability as a measure of tourism success: the Portuguese Promotional Tourism Boards' view

Sustainability:
a measure of
tourism
success

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Abstract

Purpose – The study explores the concept of sustainability as a measure of tourism success from the perspectives of the Portuguese Promotional Tourism Boards.

Design/methodology/approach – The study reviews current approaches to defining sustainability and explores how this can contribute to measuring success in tourism destinations using the case of the Portuguese Promotional Tourism Boards to shed light on the theme issue question.

Findings – The evidence that the impacts of tourism are not all beneficial to destinations and their residents is mounting and well addressed by the main world tourism agencies who are now promoting alternative ways for the industry to adopt a more holistic approach to measure the success of tourism destinations. This approach is also being adopted and promoted by some of the world's best tourism destinations.

Originality/value – Based on contributions from the Portuguese Regional Promotional Tourism Entities (ERTs), it was possible to define a successful tourism destination as the one that creates income for the local community and ensures the quality of life of the population; values and preserves local identities, heritage, culture and traditions; and promotes the sustainable use of ecosystems and the preservation of natural resources, while practising a circular economy approach. Based on the same source, it was possible to identify the most important variable in evaluating the success of a tourist destination: the level of satisfaction of residents with tourism.

Keywords Success, Tourism, Measurement, Sustainability, Indicators, Portugal, Portuguese tourism

Paper type Case study

Introduction and context

The negative effects of the COVID-19 pandemic on tourism and hospitality throughout the world have been dramatic. The numbers speak for themselves, and the best source to ascertain this impact is the United Nations World Tourism Organization (UNWTO, 2020a, b).

However, if the global slowdown of tourism caused by the pandemic has caused major disruption and losses across the entire value chain of world tourism, it also offered a unique opportunity for the tourism sector to reassess both its priorities and practices. This is clearly presented by the UNWTO Secretary-General in his policy brief on tourism and COVID-19, where he presents *Five Priorities for Tourism's Restart*, ensuring a more resilient, inclusive, carbon-neutral and resource-efficient future. The priority areas are:

- (1) **Mitigate socio-economic impacts on livelihoods**, particularly women's employment and economic security.
- (2) **Boost competitiveness and build resilience**, including through economic diversification, with promotion of domestic and regional tourism where possible, and facilitation of a conducive business environment for micro, small and medium-sized enterprises (MSMEs).
- (3) **Advance innovation and digital transformation of tourism**, including promotion of innovation and investment in digital skills, particularly for workers temporarily without jobs and for jobseekers.



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- (4) **Foster sustainability and green growth** to shift towards a resilient, competitive, resource-efficient and carbon-neutral tourism sector. Green investments for recovery could target protected areas, renewable energy, smart buildings and the circular economy, among other opportunities.
- (5) **Coordination and partnerships to restart and transform sector towards achieving SDGs**, ensuring tourism's restart and recovery puts people first and works together to ease and lift travel restrictions in a responsible and coordinated manner.

Of these areas, the one that has attracted the most attention and referrals is that of sustainability and green growth, with companies and destinations alike assuming a stronger commitment to initiatives and practices to change present behaviours and so guarantee a positive and balanced future (ETC, 2021). This is in line with Ritchie and Crouch (2003) who have argued that competitiveness in tourism is illusory without the guarantee of sustainability. However, despite the public positions of many governments, public and private agencies and companies supporting the concept of sustainability and its application to tourism, practice does not always follow the stated intentions. In fact, the problem starts with the difficulty in getting a consensus on what sustainable tourism means (Fennell and Cooper, 2020).

The concept of sustainability was initially defined in the 1980s by the Brundtland Commission in its *Our Common Future* report, as “development that meets the needs of the present without compromising the ability of the future generations to meet their own needs” (WCED, 1987, p. 43). Since then, sustainability in the context of tourism has been extensively researched and conceptualised with its principles being developed and applied to the various sectors and activities related to tourism (European Commission, 2000, 2017; UNEP and UNWTO, 2005).

The most commonly accepted definition is that of sustainable tourism development, by the United Nations World Tourism Organization (UNWTO), that presents this development as the one that “(.) meets the needs of present tourists and host regions while protecting and enhancing opportunities for the future. It is envisaged as leading to management of all resources in such a way that economic, social and aesthetic needs can be fulfilled while maintaining cultural integrity, essential ecological processes, biological diversity and life support systems” (UNWTO, 2002). This definition leads to the three pillars of sustainability, also known as the triple bottom line, which are the economic, socio-cultural and environmental dimensions. The association and link among these three pillars result in effective implementation of sustainable development policies, thus becoming a relevant factor for the competitiveness and success of tourism destinations (Azzopardi and Nash, 2016).

Until recently, the evaluation of the success and competitiveness of tourism destinations was normally carried out based on economic indicators, with hardly any consideration of negative impacts on environmental and/or socio-cultural dimensions (Rodríguez-Díaz and Espino-Rodríguez, 2016). However, practice has shown that the performance of tourism destinations cannot depend exclusively on economic performance (Kuščer *et al.*, 2017), with the main international agencies recognising that it is necessary to adopt a new and holistic paradigm towards the sustainable development of tourism (UNWTO, 2020a; ETC, 2021). This position is also supported by Butler (2022), when he argues that true success will mean that not only tourists and residents of destinations will be satisfied, but that the environment will enjoy well-being, the economic sector continued viability and the political stakeholders will be content. As he further states, this will also mean that tourism is moving in the right direction, towards increased sustainability. Countries have also taken steps

towards this new approach, and the case we want to highlight in this article is that of Portugal, where the government has promoted the principles of sustainable tourism and the Sustainable Development Goals to the centre of the *Portuguese Tourism Strategy 2027* (ET27).

According to Luís Araújo, president of the Portuguese Tourism Authority, ET27 defines specific goals under the economic, environmental and social pillars. Economic goals measure overnight stays and tourism receipts; social goals address seasonality, skills and qualifications and residents' satisfaction levels with tourism; and environmental goals assess the consumption of energy, water and waste (Araújo, 2017). This approach, adopted incrementally over the years, has led Portugal to a position where it has been continuously recognised as a world's leading tourist destination.

Presently, with its tourism sector suffering strongly with the effects of COVID-19 pandemic, in July 2021 Portugal launched a 6 billion euros plan – *Reactivate Tourism | Build the Future* (PRT) – to support the recovery of tourism and prepare the sector for the future. Once again, the principles of sustainability are at the centre of PRT, namely in its vision and strategic priorities. Of this amount, 641.1 million euros go to programmes dedicated to sustainability in enterprises and destinations, including the implementation of a dedicated programme (*Tourism + Sustainable 20–23/Plano Turismo + Sustentável 20–23* [1]), to reinforce the nation's commitment to the sustainability principles and international norms as those of the Global Sustainable Tourism Council (GSTC), thus adding further sustainability targets to the Portuguese tourism strategy.

The next step now is the implementation of this strategy and its operational plans, where various public and private stakeholders, such as Regional Tourism Boards, Regional Coordinating Commissions, City Councils and Private Sector Associations, will play a decisive role. Of these entities, and because their scope is directly related to tourism, the Regional Tourism Boards [2] are key to this phase. They have the responsibility to connect the supply side of tourism (e.g. services and products offered at the city councils' level) with the demand side (communication and promotion of the region in key tourism markets). Due to their importance for the implementation of the *Tourism + Sustainable 20–30 Plan (T + S 20–30)*, the authors decided to collect their views on the role of sustainability for the success of tourism destinations. The results are presented in the following section of the article.

Sustainability as a measure of tourism success: the Portuguese Promotional Tourism Boards' view

The seven Portuguese Promotional Tourism Boards (ERTs as per the Portuguese acronymous), the entities responsible for regional tourism development, in line with national guidelines for the area of tourism, are organised as presented in Figure 1.

The seven ERTs were contacted by email and asked to answer the following two questions:

- (1) How do you define a successful destination in respect to economic, social/cultural and environmental dimensions?
- (2) Considering your answers to the previous question, which are the most important variables in evaluating the success of a tourist destination?

Answers to the two questions were provided by all ERTs with the exception of Lisbon ERT. These are now provided and briefly analysed.

Figure 1.
Portuguese
Promotional Tourism
Boards

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|---|
| Turismo do Porto e Norte de Portugal www.portoenorte.pt |
| Turismo do Centro de Portugal www.turismodocentro.pt |
| Entidade Regional de Turismo da Região de Lisboa www.ertlisboa.pt |
| Turismo do Alentejo e do Ribatejo, E.R.T. www.visitalentejo.pt www.visitribatejo.pt |
| Região de Turismo do Algarve www.turismoalgarve.pt |
| Secretaria Regional da Economia, Turismo e Cultura da Madeira www.visitmadeira.pt |
| Secretaria Regional da Energia, Ambiente e Turismo dos Açores www.visitazores.com |

Defining a successful destination based on economic, social/cultural and environmental dimensions

According to Portuguese ERTs, a successful tourism destination “Creates income for the local community and ensures the quality of life of the population”. It “Values and preserves local identities, heritage, culture and traditions” and “Promotes the sustainable use of ecosystems and the preservation of natural resources, while practicing a circular economy approach”.

These are the key ideas that top the list put forward by the board of the ERTs under the three dimensions analysed. The answers provided were grouped by theme/area, and a top 5 list for each dimension was created and is presented in [Table 1](#).

While the approaches and activities are in line with that proposed by prior research, leading experts and main international entities ([Azzopardi and Nash, 2016](#); [Araújo, 2017](#); [UNWTO, 2020a](#); [ETC, 2021](#)), it is interesting to note a clear perspective for a holistic and balanced approach between the economic, social/cultural and environmental dimensions of sustainable tourism development, one that leads to a successful tourism destination. This becomes more apparent when we look at the answers to the second question ([Figure 2](#)), where the “Level of satisfaction of residents with tourism” is referred by all ERTs as the most important variable in evaluating the success of a tourist destination.

The “level of visitors” satisfaction with the destination comes second out of the seven most referred variables for evaluating the success of a tourist destination, clearly reinforcing a position where profit is a result of high levels of satisfaction amongst residents and visitors. However, other variables proposed, namely the number of companies with sustainable practices and the carbon footprint, are key and must be taken into account. Another important variable to consider is that of the “seasonality of overnight stays/guests”, as this can help managing tourist flows and develop complementary offers to avoid the concentration of visitors and the consequent *overtourism* situations.

The answers provided by the ERTs are also aligned with the objectives of plan *Reactivate Tourism | Build the Future*, recently launched by the Portuguese government (see footnote 1), which includes specific dimensions dedicated to innovation in enterprises and destinations,

| Economic | Social/Cultural | Environmental | Sustainability: a measure of tourism success |
|--|--|--|---|
| <p>Creates added value for the local community, improves capacity to retain it and ensures the quality of life of the population</p> <p>Promotes a dynamic and innovative business ecosystem and creates qualified jobs</p> <p>Differentiates the tourist activity, promotes its quality and practises a pricing policy that enhances the quality of the services</p> <p>Promotes financially sustainable companies</p> <p>Facilitates public and private investment</p> | <p>Values and preserves local identities, heritage, culture and traditions</p> <p>Promotes the diversification of the cultural offer</p> <p>Allocates tourism income to cultural/social projects and involves local community in public decisions</p> <p>Promotes a positive attitude by local communities towards tourism and the tourists' respect for the local community</p> <p>Promotes projects, forums or spaces of debate between public and private sectors</p> | <p>Promotes the sustainable use of ecosystems and the preservation of natural resources while practising a circular economy approach</p> <p>Contributes to and implements initiatives to combat climate change while involving tourists in environmental protection activities</p> <p>Develops and uses tools to obtain indicators of tourist activity and the management of tourist flows in a destination</p> <p>Promotes the adoption of green habits by companies and the community, and the use of alternative/non-polluting energies</p> <p>Raises the awareness of tourists towards the respect for the ecosystem</p> | |

| |
|---|
| Level of satisfaction of residents with tourism |
| Level of visitors' satisfaction with the destination |
| % of companies with sustainable practices (energy efficiency, water saving, waste management, others) |
| Contribution to Gross Domestic Product |
| Carbon Footprint |
| RevPAR |
| Seasonality of overnight stays/guests |

Figure 2.
The most important variables in evaluating the success of a tourist destination

the social aspects related to equity and inclusion, with the issues of data analysis and monitoring also clearly considered.

Concluding remarks

The tourism industry has traditionally been based on economics and financial return. In fact, the metrics for measuring tourism have remained fairly static over the decades, with a strong focus on quantity, particularly on the number of participants (tourists) and their levels of expenditure at the destinations. Aspects such as the satisfaction with the product by tourists and the dimensions of the impacts (positive and negative) of tourism on the host populations are either missing or barely considered by governments and DMOs.

The evidence that the impacts of tourism are not all beneficial to destinations and their residents is mounting and well addressed by the main world tourism agencies who are now promoting alternative ways for the industry to adopt a more holistic approach to measure the success of tourism destinations (e.g. ETC and UNWTO).

There are also good examples of countries that have embraced and promoted a more holistic approach to the measurement of tourism success by analysing and regularly monitoring more “soft” aspects of tourism development as is the case of Portugal. With the recent launch of a new plan to support the relaunch of the tourism sector (*Reactivate Tourism | Build the Future – PRT*), the country allocated 6 billion euros to support the recovery of tourism and prepare the sector for the future. Of this amount, 641.1 million euros went to programmes dedicated to sustainability in enterprises and destinations, including the implementation of a dedicated programme.

With the challenge now being the implementation of this strategy and its operational plans, various public and private stakeholders, such as Regional Tourism Boards, have been called to help make this plan a reality. Due to their importance for the implementation of the *Tourism + Sustainable 20–30 Plan*, the authors decided to collect their views on the role of sustainability for the success of tourism destinations.

The seven Portuguese Promotional Tourism Boards (ERTs as per the Portuguese acronymous) were questioned to ascertain their perspectives on:

- (1) how to define a successful destination in respect to economic, social/cultural and environmental dimensions, and
- (2) the most important variables in evaluating the success of a tourist destination.

Six out of seven of the ERTs answered the two questions and defined a successful tourism destination as the one that:

Creates income for the local community and ensures the quality of life of the population, “Values and preserves local identities, heritage, culture and traditions” and “Promotes the sustainable use of ecosystems and the preservation of natural resources”, while practicing a circular economy approach.

As to the most important variables in evaluating the success of a tourist destination, first came the “Level of satisfaction of residents with tourism”, followed by the “level of visitors’ satisfaction with the destination” out of the seven most referred variables, clearly reinforcing a position where profit is a result of high levels of satisfaction amongst residents and visitors.

In conclusion, from the results of the literature reviewed and the answers provided by the board of the Portuguese ERTs, the move towards a holistic approach to measuring the success of tourism destinations is clear and well promoted by the main world tourism agencies and being adopted by some of the best tourism destinations in the globe.

Notes

1. <http://business.turismodeportugal.pt/pt/crescer/sustentabilidade/Paginas/default.aspx>
2. http://business.turismodeportugal.pt/pt/Conhecer/Quem_e_quem/Paginas/Entidades-Regionais-de-Turismo.aspx; <https://dre.pt/application/file/a/261001>

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Further reading

- Santos, M., Veiga, C., Santos, J. and Águas, P. (2022), “Sustainability as a success factor for tourism destinations: a systematic literature review”, *Worldwide Hospitality and Tourism Themes*, Vol. 14 No. 1.