

Is there Demand for Sustainable Tourism?

Study for the World Tourism Forum Lucerne 2011

Management Summary

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The first goal of this study is to learn more about tourists' understanding of sustainability, because everybody talks about sustainability – including in the tourism sector. But what exactly is sustainable development from a tourist's perspective, how do tourists interpret the term sustainability and how do tourists assess the importance of sustainable development in tourism? To clarify these questions, an empirical survey confronts travellers from eight countries with different statements which describe variable attributes of sustainable tourism.

In general, tourists are well informed about the important aspects of sustainable tourism. The main descriptive findings of the first empirical phase on tourists' understanding of sustainable tourism are:

- The overall perception is balanced over the different dimensions. There is no clear prioritisation of a dimension. The share of people agreeing to the statements about sustainable tourism is only below 50% for some economic attributes and for the attributes “prolonged stay” and “CO2-compensation”.
- The attribute “upkeep of a scenic view and the cultural heritage” is assessed as most sustainable. Generally, attributes referring to *local* products, *local* community and *local* culture are judged as most sustainable.
- Tourists rate what they can see, and/or experiences directly at the destination as more relevant for sustainable tourism in the ecological dimension.
- For 22 % of the respondents, sustainability is among the top three influencing factors while booking vacations. This group of tourists, the so-called sustainability aware tourists, presents an interesting target group.

Five different types regarding tourists' understanding of sustainable tourism are identified:

- The *balanced type* seriously observes all three dimensions and has above average shares of agreement in all dimensions. 33% of the respondents belong to the balanced type.
- The *sceptic* has a critical attitude and rates all attributes clearly lower. 25% of the respondents belong to the sceptic type.
- The *socio-economic type* considers the social and economic dimension in particular. 12% of the respondents belong to the socio-economic type.
- The *localised type* rates especially the attributes related to local aspects of sustainability and to culture as relevant for sustainable tourism. 15% of the respondents belong to the localised type.
- The *ecological type* considers in particular ecological aspects to be relevant for sustainable tourism. 15% of the respondents belong to the ecological type.

The second goal is to empirically investigate if there is a potentially interesting market for sustainable tourism products. The preferences of tourists and also the willingness to pay a premium for sustainable products are identified by employing a choice experiment. The choice experiment was conducted with almost 5000 respondents in Switzerland. Generally, the choice experiment shows that tourists would principally like to buy sustainable tourism products. The respondents consistently favoured the more sustainable levels of the proposed attributes. Although there are clear preferences in favour of sustainable products, it can be shown that the respondents are not willing to pay a substantial premium for the inclusion of specific attributes.

However, there is some evidence that potential customers of sustainable tourism products demand completely sustainable products and they are less price sensitive for such a product.

Although customers are not willing to pay a significant premium, this study concludes that offering sustainable tourism products could be a successful differentiation strategy in order to gain additional market shares. There is an interesting market segment with a target group of 22% sustainability aware tourists who consider sustainability as important when booking a holiday.

Finally, the understanding of sustainable tourism mostly does not influence the behaviour of tourists. Nevertheless, the identified types of tourists are important for providers of touristic offers because it helps to understand how to approach the potential customers of sustainable products.