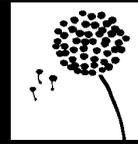


TEARFUND



CHRISTIAN ACTION WITH THE WORLD'S POOR

*Tourism - an
Ethical Issue
Market Research Report*

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Tearfund is an evangelical Christian relief and development agency working through local partners to bring help and hope to communities in need around the world. Last year Tearfund supported over 500 projects in 90 countries. Tearfund is a member of the Disasters Emergency Committee of leading aid agencies, and a founder member of the Jubilee 2000 Coalition campaign for the cancellation of the unpayable debts of the world's poorest countries by the end of 2000.

This report summarises the findings of market research into consumer attitudes towards ethical issues in tourism carried out by Ipsos-RSL on behalf of Tearfund. A nationally and regionally representative sample of 2032 adults (weighted to 2043) aged 15+ was interviewed between 26th

and 30th November 1999. The data set is accurate to +/- 3 percentage points at a 95% confidence level.

Part I - Main Findings

Background

According to the World Tourism Organisation, tourism is one of the the world's largest industries with:

?? 625 million international arrivals in 1998

?? spending a total of £270 billion

?? contributing towards an estimated 200 million jobs.

Tourism is growing fastest in the developing world, which received 30% of international arrivals in 1998, a proportion predicted to grow in the coming years.

Tearfund is investigating the connections between tourism and development and what can be done to increase the positive and reduce the negative contributions it makes.

Tearfund has therefore asked 2,000 members of the general public what consideration they give to ethical issues when booking their holidays, and in what ways they would be willing to change their behaviour.

Key results

?? The UK tourist is keen to relax and switch off on holiday - but not at the expense of local people or their environment.

?? Many would positively opt for a tour company which offered positive guarantees, and would be willing to pay more for their holiday if necessary.

?? Tourists want more information about their destination so that they can behave responsibly and positively support the local economy. They think that it is the responsibility of the tour operator and travel agent to provide this information.

Summary of Results and Analysis

1. Choosing a holiday

Unsurprisingly the three main criteria are weather, cost and good facilities. But tourists do show concern about ethical policies and environmental considerations. Surprisingly, there is little brand loyalty: the bottom-scoring criterion for choosing a holiday was having used the company before; this suggests tour companies need to respond carefully to consumer demands.

2. Holiday information and behaviour

The public want to behave in an appropriate manner when overseas and be responsible travellers. They are keen to fit in with the local customs and want to ensure that their holidays support the local economy. They are particularly interested in receiving information on 'local customs and appropriate dress and behaviour' and on 'ways to support the local economy and meet the local people'. Contrary to some beliefs, most tourists do not simply want to live in a 'sanitised bubble' whilst on holiday.

3. Information - whose responsibility?

Most think that tour operators and travel agents have the prime responsibility to provide the information they require on a wide range of issues - both before they go on holiday and once they are there. The tourism industry would therefore do well to respond to these consumer demands for more information so that the tourists themselves and those in the host destination get the most out of the holiday.

4. The price of principles

Over half would be willing to pay more for their overseas holiday if they were guaranteed that the 'money goes towards preservation of the local environment, workers in the destinations are guaranteed good wages and working conditions, or money goes to support a local charity'. Of those who were willing to pay more, the average increase they would accept was 5% - £25 on a holiday of £500. Tourists are not always simply looking for the lowest price: they are willing to pay for principle.

UK travellers spent about £2 billion on holidays to developing countries in 1998 (out of a total of £17 billion on overseas holidays). This is roughly equivalent to the UK government annual aid budget (£2.2 billion in 1998). A 5% increase, guaranteed to go to the workers, to protect the environment, and to go to local charities, would therefore be equivalent to an increase in the aid budget of £100 million a year; it would make a significant difference to the lives of those who work in the host destinations.

5. Tour companies take note!

Nearly half of those questioned said they would be more likely to go with a 'company that had a written code to guarantee good working conditions, protect the environment and support local charities in the tourist destination'. Taken with the fact that there is low brand loyalty, this willingness to go with more ethical companies is both a warning and a positive opportunity to companies who are expecting to lead the way in the UK tourism industry at the start of the new millennium: 'Change in line with changing public attitudes or be left behind!'

6. In the footsteps of fairtrade

The research also tested the assumption that there are particular groups who will be more aware of the ethical issues involved in tourism. The assumption proved founded: the highest scoring groups were those who 'regularly buy fair trade or use an ethical bank or investment fund', are 'members of an environmental, development or human rights group' or 'have been on a trip to a developing country, or plan to do so in the next few years.'

This shows that, in an increasingly globalised world, people are beginning to make the connections between their actions as consumers and the effects on the producers, and to change their behaviour. The massive growth of the fairtrade movement in the 1990s demonstrates that many are willing to positively choose, and pay a premium for, the products of companies which guarantee good working conditions and fair wages to their producers.

Conclusion

Tearfund believes that ethical tourism will rightly be a big issue in the new millennium. The experience of working with international partners in the developing world indicates the need for it. These results demonstrate the UK public will demand it. As the public have more free time available and more money to spend on leisure (in the last 30 years the average spending on leisure has almost doubled from 9% to 17% of household income), and as an increasing number of people travel to developing countries, they will want to ensure that their holiday will help, and not hinder, development.

Although some parts of the industry have responded to environmental concerns, there has been a worrying lack of activity to improve the wider impact of tourism on local people. With increasing competition in the industry, the companies that dare to become more ethical and respond to this unmet consumer demand will be able to gain a competitive edge.

In the coming months Tearfund will be conducting more research into the issues of ethical tourism. Tearfund is also working with the industry, partners and supporters to raise awareness of the issues involved and explore ways to work together for positive change.

Part II - Top-level Market Research Results

The market research into consumer attitudes towards ethical issues in tourism was carried out by Ipsos-RSL on behalf of Tearfund. A nationally and regionally representative sample of 2032 adults (weighted to 2043) aged 15+ was interviewed between 26th and 30th November 1999. The data set is accurate to +/- 3 percentage points at a 95% confidence level.

The exact questions and top-level results are shown below:

1. For the last overseas holiday that you booked (whether with a tour company or independently), how important were the following criteria in determining your choice?

	IMPORTANCE RATING (%)			
	HIGH	MID	LOW	NONE
1. affordable cost	82	12	3	3
2. good weather	78	14	5	3
3. guaranteed a good quality hotel with facilities	71	15	8	4
4. good information is available on the social, economic and political situation of the country and local area to be visited	42	30	23	3
5. there is a significant opportunity for interaction with the local people	37	37	23	3
6. trip has been specifically designed to cause as little damage as possible to the environment	32	34	27	5
7. company has ethical policies	27	34	30	7
8. used the company before	26	30	38	5

NOTE: 27% of respondents had never been on an overseas holiday. These people have been excluded from the table and the revised percentages were computed according to the remaining 73%.

Key Point: For those who had been on an overseas holiday, the main ‘ethical’ reason determining their choice was that the company provided good quality information (42%). Significantly, the lowest determining factor (26%) was commitment to the company.

2. If you were going on an overseas holiday, what type of information would you want to have concerning your holiday? You may tick as many or as few as you like.

local customs and appropriate dress and behaviour for tourists	46%
ways for tourists to support the local economy and meet the local people	26%
political background to the country and specific region	26%
local religious beliefs	23%
Sheet with ten tips for ethically responsible travellers	20%
How to protect the local environment and reduce waste whilst overseas	18%
the wages and working conditions of the local people working in tourism	16%
none of these	37%

Key Point: 63% of the general public ticked at least one of the options for receiving information on ethical criteria connected with their holiday.

3. Who do you think has the responsibility to provide this information? You may tick as many or as few as you like.

tour operators including tour guides	54%
travel agents	52%
tourist information offices overseas	27%
travel books	18%
Foreign and Commonwealth Office Travel Section	16%
hotels	15%
none of these	14%

Key Point: 54% of the general public thought that tour operators and tour guides should provide the requested information and 52% thought that travel agents should.

4. Which of the following activities would you be willing to pay more money for if they were guaranteed as part of your holiday? You may tick as many or as few as you like.

money goes towards preservation of the local environment and reversal of some of the negative environmental effects associated with tourism.	35%
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workers in the destination are guaranteed good wages and working conditions.	29%
money goes to support a local charity	21%
none of these	41%

Key Point: 59% of people said they would be willing to pay more for their holiday if money went to guarantee good wages and working conditions, to preserve the environment and reverse some negative environmental effects or directly to a local charity (This is the 100% of people questioned minus the 41% who said they would not be willing to give any more money.)

5. How much extra money would you be willing to pay for the guarantees in question 4? Please tick one answer only.

2%	which would be £10 on a holiday of £500	22%
5%	which would be £25 on a holiday of £500	21%
10%	which would be £50 on a holiday of £500	10%
20%	which would be £100 on a holiday of £500	1%
nothing		45%

Key Point: 55% said they would pay more to be guaranteed certain conditions for their holiday. Of those who would be willing to pay more, the average was 5%. This works out at £25 for a holiday costing £500.

6. Which of the following statements would you associate yourself with? You may tick as many or as few as you like.

prefer just to switch off when I go on holiday	47%
have signed a petition in the last year	26%
prefer to travel independently	24%
attend church at least twice a month	15%
regularly buy fairly traded goods or use an ethical bank or investment fund	12%
have been on a trip to a developing country, or plan to do so in the next few years	12%
give more than £20 a month to charity	11%
member of an environmental, development or human rights group (such as RSPB or Amnesty International)	8%
none of these	18%

Key Point: When these categories were cross-tabulated with the answers to questions 1-5 and question 7, the results showed that the categories with the highest scores for taking ethical considerations into account in relations to holidays were those who identify themselves with ‘regularly buy fair trade or use an ethical bank or investment fund’, ‘member of an environmental, development or human rights group’ or ‘have been on a trip to a developing country, or plan to do so in the next few years.’

7. Would you be more likely to book a holiday with a company if they had a written code to guarantee good working conditions, protect the environment and support local charities in the tourist destination?

Yes	45%
Would make no difference	42%
No	13%

Key Point: 45% of the general public said they would be more likely to book a holiday with a company if they were ethical. Taken with the fact that there is little loyalty shown by tourists to tour operators, this shows that a company could gain a competitive advantage by adopting ethical policies.

Part III - Tearfund Principles for Tourism

Tearfund believes the following five principles should underpin the operations of all those involved in the tourism industry:

1. Tourism is an ethical issue

Tourism is not just an economic transaction or a series of activities which can be isolated from everyday life or from their impact on people. The very fact that tourism involves travel to another culture and direct contact with the people there, raises a number of ethical issues. Do local people want tourists visiting them? What are the working conditions in the tourism industry? What change does tourism make to local relationships and values? Where does the money go - who benefits? What are the environmental consequences of travel? Does travelling to a particular place support democracy and human rights, or undermine them?

2. Tourism is a development issue

Tourism to developing countries is growing and has a disproportionate impact on the poor. They may gain access to the jobs in the industry and receive new opportunities to provide goods and services. However, they also live in the (often rural) areas which receive the most destructive forms of tourism, thus bearing the brunt without reaping the benefits. The poor suffer the worst effects and they should be the focus of any improvements.

3. Tourism should have people at the centre

Tourism is not just an economic issue but also a social one as there are numerous contingent relationships established between the buyer and those involved in the production, manufacture, marketing and selling. Tourism is one of the global industries which have the greatest impact on people and it should therefore have their well-being, especially those on the receiving end, as its foundation. The people who live on the land, open up their homes and their lives, and provide services for tourists are those whose concerns should be first.

4. The tourism industry can make a positive contribution to development

The tourism industry has a global reach and the potential to make a positive contribution to development. It is also in its best interests to do so, as its success is based on the ability of the people and environment to provide a good service and to ensure the possibility of future use. The industry has gone some way to addressing a few environmental concerns but has been slow to address the social, cultural and economic issues. Initial priorities must be to ensure good working conditions, allow local people to participate in tourism planning and implementation, ensure that a greater share of tourism revenue goes to the host communities and invest in local resources, labour and skills.

5. Tourists can make a positive contribution to development

Tourists can have significant influence on the industry and if there is sufficient demand for the industry to behave in an ethical way, then the industry will have to respond. In fact, it will be in the industry's best interests to respond to customer concerns. Tourists can also make a positive contribution to development by the way they act when on holiday. This could involve using local services and staying in locally-run guesthouses, treating everyone with respect, learning about and honouring local customs, and looking after the environment.

Part IV - Global Statistics

International tourist numbers

- ?? In 1998 there were 625 million international arrivals worldwide (for all leisure and business but excluding daytrips). This is a threefold increase in 25 years (arrivals in 1973 were 199,000) and the total is projected to grow to 1.3 billion in 2015. [1]
- ?? In 1997 UK residents had 57.5 million long holidays (4 nights or more), of which 27.25 million were overseas. Out of these 27.25 million overseas holidays, at least 14 million were package tours, accounting for over 50% of this market. [2]
- ?? In 1997 the UK received 25.5 international tourists (19.2 million for leisure and 6.3 million for business). [2]
- ?? In 1998 developing countries received over 30% of international tourist arrivals. [3]

Employment

- ?? Global employment due to tourism is estimated to be 200 million (1 in every 8) jobs. [4]
- ?? In the UK the tourism industry supports 1.7 million jobs. [2]

Income

- ?? International tourism receipts in 1998 totalled £270 billion (\$US 445 billion). [1]
- ?? World growth in tourism receipts is predicted to be 3% for the next 20 years. [4]
- ?? International tourism receipts were worth £12 billion to the UK in 1998 (£9 billion were for leisure and £3 billion for business). [2]
- ?? In 1998 all tourism receipts to the UK (international and domestic) were worth £27 billion (£21 billion for leisure, £6 billion for business). Including daytrips, this is £52 billion. [2]
- ?? In 1999 developing countries received 17% of global GDP in tourism [4].

UK expenditure

- ?? In 1998 the total UK household expenditure was £500 billion of which 12% (£60 billion) was on tourism and tourism related services. [5]
- ?? In 1998 the UK public gave £5 billion to charity and the UK government gave £2.2 billion in official overseas aid. [6]
- ?? In 1997 the average amount spent per UK holidaymaker on an overseas holiday was £611, compared with £159 for a domestic holiday. [2]
- ?? In 1997 total UK spending on overseas tourism was £17 billion, of which an estimated £2 billion (approximately 12%) was on holidays to developing countries. [2,4]
- ?? An extra 5% on the cost of a package tour to a developing country could provide £100 million each year for local development in these countries.

Destinations of UK holidaymakers

- ?? The most popular destinations from the UK are Spain, France, USA, Greece and Italy. [5]
- ?? An estimated 12% of holidays from the UK each year are taken to developing countries, popular destinations including Egypt, S Africa, Thailand, Singapore, Tunisia, India.

Sources

[1] World Tourism Organisation (1999) Annual Yearbook of Tourism Statistics, [2] British National Travel Survey (1997), [3] World Tourism Organisation (1998) World Market Trends, [4] World Travel and Tourism Council (1999)

Travel and Tourism's Economic Impact, [5] Social Trends (1999), [6] National Council for Voluntary Organisations (1999) Research Quarterly.

Part V - Recommendations for Industry and Tourists

Industry

Tearfund is looking on the industry to:

1. Ensure that appropriate information is made available for tourists, especially on local customs and appropriate dress and behaviour and on ways to support the local economy and meet the local people when on holiday.
2. Develop and implement ethical policies to enable tourism to be improved to support development from an economic, social and environmental perspective.
3. Speak to people in developing country tourist destinations and to some of the development and environment groups who have partners on the ground. In this way the industry can gain a better understanding of some of the issues involved in tourism for the host communities and can listen to suggestions for ways to better support development.

Tourists

As the public are booking their summer holiday overseas, especially to developing countries, Tearfund suggests asking the following questions:

1. Does the tour company provide adequate information on local customs, appropriate behaviour for tourists, ways to meet local people and support the local economy?
2. Does the company have a written code of conduct which outlines its policies towards environmental protection, workers' rights and support for local development? Is a copy available?
3. In what ways does the company try to ensure that its policies and practices support local development? Is there any literature to show this?

Independent travellers

A significant proportion of tourists do not go on package tours with the main tour operators. Many of these (24% according to the market research) describe themselves as independent travellers and they exercise more control over where they go, who they meet and what they spend their money on whilst on holiday. They have more freedom to make a positive impact and can do so in the following ways:

1. Ask themselves some questions about their own holidays - how does my holiday support the local economy? In what ways can I learn about the context of the place I am visiting and behave in an appropriate manner when I am there?
2. Visit tourism offices in their holiday destination to find out about local development projects or locally-run tourism developments. Support these initiatives.
3. Explore the possibility of travelling with an tour operator that has more ethical policies and is supporting local development through their tours.

Additional resources available

1. 4-page briefing for Tearfund supporters on tourism and development.
2. 6-page briefing on general tourism statistics and definitions within tourism.
3. Sheet of suggestions for action for tourists.

Contacts

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