Tourism
putting ethics into practice

TEARFUND
CHRISTIAN ACTION WITH THE WORLD'S POOR

**A report on the responsible business practices
of 65 UK-based tour operators**

Contents

Tearfund is an evangelical Christian relief and development agency working with 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 was a founder member of the Jubilee 2000 Coalition.

Overview

Background to research

Tourism is the world's largest industry and predicted to double in size in the next 20 years. It has the potential to bring major benefits to destinations, but can also be damaging to the people living there and to their environment. Other industries have already understood this ambivalent nature of trade and have adopted the triple bottom line of social, environmental and economic responsibility. It is now time for the tourism industry to rise to this challenge – the challenge of ethical tourism. The big question, though, is how to put these ethics into practice.

As a development charity, Tearfund is concerned to increase the positive impact of tourism to developing countries, particularly on the lives of the poor, and to mitigate any negative effects. In January 2000, Tearfund carried out some market research, which showed that the majority of tourists want a more ethical tourism industry, and would be willing to pay more for it. This current report, one year on, asks how the industry is responding. It looks at 65 UK-based tour operators, highlights examples of their good practice in ethical tourism and suggests ways in which this can be replicated and built upon.

Ethical tourism is in the best interests of all involved. It offers tour operators a competitive advantage and safeguards the future of the industry by ensuring the long-term sustainability of a destination. It offers the tourists a richer experience, as holidays will draw on the distinctive features of a destination. It is also in the interests of those living there and those working for development, as it can help to combat poverty and contribute to sustainable development.

Trends in the tourism industry

The tourism industry is highly competitive and tour operators are under increasing pressure to differentiate their products. Research suggests that once the main criteria for a holiday are satisfied (location/facilities, cost and availability), clients will make choices based on ethical considerations such as working conditions, the environment and charitable giving. Clients are also looking for increased quality and experience in their holiday. In this climate, companies would do well to differentiate their products according to consumer demand ie based on ethical criteria.

The industry is already responding. Some operators are moving from a cut-price to an experience-focused approach, and there is a rise in small-scale and specialist operators. Since the Earth Summit in 1992, many operators have started to address their environmental responsibility. AITO (Association of Independent Tour Operators) have been working over the past year to produce a responsible tourism code for their members. In November 2000 ABTA (Association of British Travel Agents) published their own detailed research into clients' ethical preferences.

Any tour operator who fails to respond risks being left behind. They also fail to fulfil their role as a responsible company in the 21st century. Furthermore, they risk damaging the very resources upon which the industry depends – people and their environment.

This report offers some ways forward for those who wish to rise to this challenge.

The report

The report looks at industry practice in four areas of ethical tourism: bringing benefits to the local community, charitable giving, partnerships and responsible tourism policies. Each main chapter is split into three parts. Firstly, the **findings**, which give details of the information received from tour operators. Secondly, a **commentary** on industry trends and conclusions that can be drawn from the data. Thirdly, **recommendations** which focus on principles and actions for change. An example of good practice is also given at the foot of each page.

Most of the issues covered in the report apply in all countries. However, the focus is on developing countries, where Tearfund's partners work and where Tearfund has 30 years of experience in community development.

Some of the information is based on a self-assessment by tour operators of the benefits they bring and how responsible they are. Although we were able to verify much of this through brochures, policies and annual reports, it should still be viewed with these caveats in mind.

Chapter 1 on bringing benefits to the local community finds that most tour operators have examples of good practice, and believe that it can be replicated elsewhere. The main factors necessary are supporting the local economy, educating tourists, long-term investment and offering a quality product. Barriers include lack of time and money, poor quality of local services, increased liability due to the EU Package Travel Directive and tourist attitudes. With the changing market, the main question for tour operators becomes 'Can we afford not to change?' Recommendations include taking time to speak to local groups in the destination and experimenting with a few tours that favour more local industries.

Chapter 2 on charitable giving finds that three quarters of the companies questioned give money to charities, most of which are either based in the destination, or based in the UK but operating in the destination. In

general, the larger the operator, the more money given away, but the lower the amount as a percentage of pre-tax profit. Companies give in different ways and advise their customers to give in different ways. These include additions to the bill, direct donations of food or goods to projects and giving to charities in the UK. Recommendations are to integrate charitable giving into normal business practices, commit to a set funding level and develop long-term partnerships. There is also a suggested set of guidelines for encouraging tourists to donate to charity.

Chapter 3 on partnerships and training finds that most operators consider their relationships with suppliers as a partnership. This meant different things to different operators, from having a long-term commitment, joint planning and time spent together; to a focus on the poor and meeting local needs; to having the same view of the needs of customers and providing a good standard of service. Some operators were involved in training, but the extent of this was low, considering that the poor quality of local services was cited as one of the main barriers to bringing greater benefits. The commentary shows that other industries are reaping the benefits of stronger partnerships and local community

links. Recommendations include principles to underpin partnerships and suggested actions to set up long-term partnerships.

Chapter 4 on responsible tourism policies finds that half of the companies questioned have policies for the operations of the company, the supply chain or tourists themselves. Reasons for producing the policy included educating tourists, suppliers and staff; as a reaction against the mainstream industry; and because the principles are integral to the company. Of those who do not have policies, half said they might produce one in the future. Few companies found that more tourists were asking about responsible tourism, although many were aware of an increased interest in responsible tourism within the industry. Recommendations include a suggestion for components for a responsible tourism policy for the industry, and a code for tourists.

The **general conclusions** offer a challenge to operators to respond to consumer demands by becoming more ethical, to take a longer-term view of their operations, and to integrate charitable giving and training into their normal business processes. The back cover suggests ten actions that tour operators can take now.

Tearfund would be keen to receive any comments on the report, and to work with those who want to take these issues further. Please contact graham.gordon@tearfund.org

Bringing benefits to the local community

This chapter highlights the benefits tour operators bring to local communities, the factors that enable this to happen and some of the barriers that operators face. It considers whether these benefits can be replicated elsewhere, and places these findings in the context of increased consolidation in the industry and consumer pressure for change. It then suggests some initial steps that companies can take to increase benefits they bring.

Findings

Q1 – Do you have any examples of where your company has had a positive impact on local communities?

Many companies had positive stories to tell about supporting the local economy. This focused on using locally-run hotels and service providers, sourcing goods locally, and training and employing local people. It enabled the money from tourism to go directly to people in the destination and support their development. For some operators it included a year-round commitment to the destination, which helped to provide secure employment and ensure that tourism was a viable way of earning a living. In rural communities, tourism helped reverse the flow to the cities to look for work and enabled people to remain in their families and communities. There were also examples where the income from tourist visits had directly contributed to better standards of health and education. Some of the larger operators provided a significant proportion of employment in some destinations.

Q2 – What factors are necessary for local people to benefit?

When asked what key factors are necessary in order for people in the destination to benefit from tourism, there were some very clear views expressed across the industry.
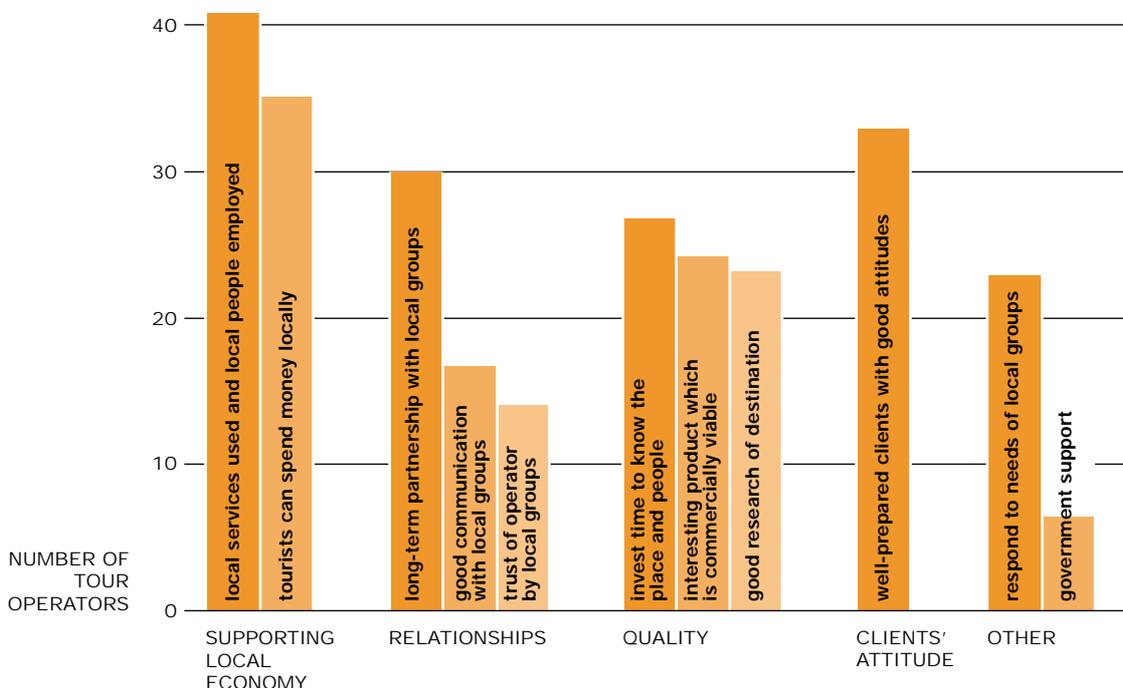
figure 1 – What factors are necessary for local people to benefit?

ATG Oxford arrange independent and escorted walking holidays to Umbria, Italy, and focus mainly in the off-season. They book out small hotels in order to ensure employment all year round for the people living there. They have a policy of not buying in supermarkets but spending more time sourcing local specialities such as cheese, and visiting local producers and artisans. They also advise tourists to try local restaurants and bars and to explore the local area for themselves.

Support for the local economy

This was considered most important. The emphasis was on using locally-owned and locally-run accommodation and transport, employing and training local people, and giving tourists the confidence and information to use local restaurants and buy local crafts. It confirms 'conventional' wisdom that strengthening local linkages will have the greatest positive impact in the tourism industry.

Good relationships and long-term investment

This included the benefits of a long-term partnership, working with hotels or ground handlers over many years, and the need to build trust between tour operator and supplier. It also focused on the desire for good and regular communication.

Quality and commercial viability

This was central as operators stressed the necessity of an attractive product which will sell. There is no use having a product that could potentially bring enormous benefit to the local area, if no-one is interested in going and no-one uses it! Many also stressed the need for an interesting product, different from what others may be offering. This difference and added quality is based on a good knowledge of the area and time spent doing the necessary research. Smaller operators felt that the time invested up-front paid off later on in terms of clients' enjoyment and repeat visits.

Positive attitudes of clients

This was included by over half the respondents, emphasising the need for clients to be educated about the destination, the culture and the people, and to know how to behave in a way that respects the environment.

Other areas

These included tour operators understanding and responding to local need, and the government providing support to local businesses.

Q3 – Would it be possible to do something similar elsewhere?

When asked if their good examples could be repeated in other settings, the overwhelming response was yes, given the right conditions. Out of the 54 companies with good examples, nearly 90% (47) said that this could be done in other places (figure 2), showing a strong optimism that change is possible and that we will be able to see many more of these good examples in the future.

Yes	No

figure 2 – Would it be possible to do something similar elsewhere?

Q4 – What are the barriers to bringing benefits?

However, despite all of these potential benefits that tourism can bring, many of the tour operators expressed frustration at the difficulties in implementation.
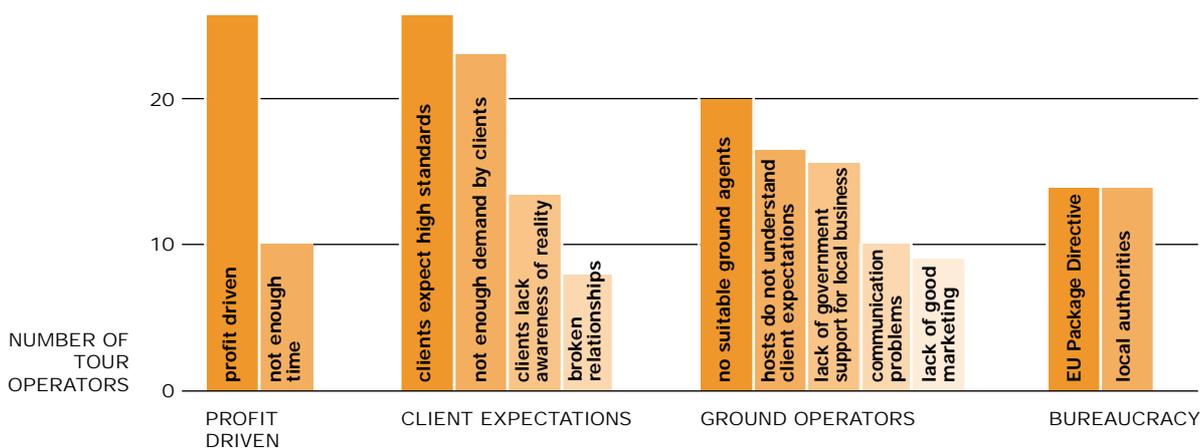
figure 3 – What are the barriers to bringing benefits?

Gambia Experience offer package tours to the Gambia and are the only package company that offer trips all the year round. The majority of their local staff are Gambian which includes all but one of the reps and most office staff and drivers. By offering trips all the year round they are trying to help Gambia develop a reputation of being more than Winter Sun, in order to secure its long-term viability and sustainability as a destination.

Profit-driven

This is clearly important as tour operators need to make money to stay in business. Many of those interviewed simply said, 'We are a commercial company, we need to make money and therefore cannot do as much as we would like to.' Often the biggest operators are working on such small margins (typically around 2%) that they use economies of scale to reduce costs wherever they can. This means that smaller, local service providers in the destinations miss out. Also, the larger operators often do not allow the time to do the research to find viable alternative service providers. Resort reps may have a few days to find all of the necessary information in a destination and therefore go to the places that others are already using.

Client expectations

The high demands by clients for Western standards was cited by nearly half of the operators as a barrier to bringing greater benefits to the destination, as was the fact that few clients are talking directly to the companies themselves to demand holidays that bring more benefits to the local economy. A significant minority of operators mentioned the tourists' lack of awareness of the economic reality in a destination ie tourists may spend two weeks in a hotel in the Caribbean without realising the extent of the poverty a few hundred metres away. Some also mentioned that tourists may fear the poverty that exists because it is new to them and they are unsure how to cope with it. Significantly, ten operators spoke of a lack of respect by tourists for local people, and relationships having broken down as a result.

Provision on the ground

The supply side was cited by the majority of operators with a third of operators complaining that they could not find good quality ground agents, and almost the same number saying that the local government could be doing more to encourage local business through training and affordable loans. Others spoke of the poor communications to remote towns and villages, the lack of marketing of local features, and the lack of understanding of client expectations.

Bureaucracy

The fact that under the EU Package Travel Directive a tour operator may be liable for anything that happens to their clients when they are on holiday, has made many operators much more cautious about what they do, and the local services they recommend to clients. Many of the bigger operators who arrange package tours said they were keen to promote local restaurants and services, but were afraid that if something went wrong, they would be sued when the client came back to the UK. The high standards of health and safety required by the legislation means that Western-owned hotels are often favoured as they are already known to meet these standards. 20% of operators mentioned difficulties working with local or national governments, particularly when offering to clean up a particular beach or river, or helping with the rebuilding of a local site of interest.

Q5 – How much money remains in the local economy?

When asked what percentage of the holiday, excluding the flight, remains in the local economy, most operators found this difficult to answer. Many of the answers were very rough estimates.

None of the bigger, mass tourism operators were able to give us an estimate of what remains locally. This was partly due to the many different holidays they offer, and partly due to the fact that hotels and local services are often owned by people who live outside the local area. Medium-sized companies (taking more than 5,000 people per year, but fewer than 100,000) gave an average estimate of 35% of the cost of their trips remaining locally. The smaller, more specialist operators gave an average estimate of around 70%.

Specialist Trekking Co-operative (STC), Nepal. During his extensive climbing career, Doug Scott saw that porters, cooks and guides were paid poor wages, required to carry enormous loads, allowed to climb in unsuitable equipment, and given little or no medical assistance. When injured they did not get paid and too often had no contract, job security or regular wage. Through STC they receive approximately double their previous wages, clothing to provide adequate protection, have a limit placed on the loads they can carry, are adequately insured and many are retained throughout the year to provide security of income. STC also regularly monitor the situation to ensure that the pay does reach the staff, especially the porters.

Commentary

Industry trends

The tourism industry is undergoing an unprecedented period of consolidation. This can work against quality, as costs are cut through economies of scale and standardisation. Only the biggest operators will be able to win in terms of price, and others will need alternative strategies in order to ensure their future survival and success.

Recent research into the industry has shown that clients choose their holidays on the basis of destination, price and availability. Tearfund research in January 2000 found that clients choose their holidays in terms of cost, weather and facilities/location. Although slightly different, both of these pieces of research showed that once the main criteria are satisfied, clients start to base their choices on other more ethical issues. For many larger companies, cost does not vary much, and many will offer similar holidays in similar destinations so clients' main criteria can be satisfied reasonably easily. How they choose their holidays will then come down to issues such as how the company treats the environment, the working conditions and wages of the staff, local cultural experiences or the information and advice made available.

Although clients may not be choosing their holidays at the moment on these criteria, this is probably because such holidays are not available or, if they are, they are not well advertised. However, if the recent market research has accurately predicted future trends, companies who take the lead on ethical issues are likely to be rewarded with increased sales.

Conclusions

The research findings show that most tour operators have some good examples of where their operations are making a positive difference to the lives of local people. They believe that this can be replicated in other places, and that this is best achieved by supporting the local economy wherever possible, educating tourists and long-term investment in the destination.

The mention of a long-term commitment to a destination is encouraging, because this is vital to enable tour operators to bring more investment, help local businesses to develop and meet clients' needs, and will ensure that tourism is viewed favourably by local people. However, this professed long-term commitment is in stark contrast to the current activities of some operators, who may move on very quickly to new destinations.

Problems encountered include time and financial pressure on the industry, the quality of local services, the increased liability due to the EU Package Travel Directive and tourist attitudes (whether ignorance or very high expectations). The frequency with which operators mentioned the lack of good-quality services is surprising, given that few operators are doing much to help with training and building the capacity of local service providers.

In terms of customer expectations and understanding, companies need to respond to two main challenges. In a market that is demanding a high-quality experience, companies that make stronger connections with local people and their culture will become increasingly appealing, as they will draw on the distinctive features of a destination, and offer a richer holiday experience. Tour operators are also in a unique situation to provide information and advice to ensure that tourists travel in an informed way, and operators have a responsibility to ensure that this happens.

Finally, many operators complained that they could not afford to change, as it cost too much money and took too much time. However, as the industry moves in this direction and clients increase their pressure for change, the question is increasingly likely to be **'can we afford not to change?'** Ethical issues may not be mainstream at the moment, but the move is certainly in that direction. Companies that fail to respond to this change are likely to be left behind in five or ten years' time.

Sunvil Africa, Namibia, stay in Tsumkwe lodge which provides much local employment and an extensive contribution towards local development. All guides and translators come from the local area and take tourists on walks to explore. The women stay in the village and cook, or spend time talking with the tourists. Sunvil work with Tsumkwe to limit the number of visitors to any one village, so that tourism can be integrated into village life and does not cause unacceptable disruption for the local community.

Recommendations

Action

Companies cannot do everything at once. Change comes gradually and sustainable change needs to be integrated into normal business practice. Possible initial action includes:

1. Share best practice. Tour operators can start by writing down more examples of where their operations have had a noticeable and positive impact on the local community. This will help to see which factors are important to bring benefits, and what can be done elsewhere.

2. Speak to local groups. For new destinations especially, companies can make an effort not just to speak to the big hotel owners, but to speak to local community representatives, tourism associations and environmental groups as well as the hotels. They can find out about some of the local issues, details of local businesses and possible ways that they can be more integrated into the tourism industry. Development and environment charities in the UK working in these destinations may be able to help with contact details. This process is likely to add an extra day or two onto a trip, but the initial extra cost will be more than recouped later. Companies will be able to provide better-quality holidays, which draw on more of the local character, and ensure that local people benefit from tourism.

3. Consider how to overcome barriers. Rather than accepting barriers to bringing greater benefits, tour operators can seek to overcome them eg by supporting local training initiatives, providing more detailed information for clients, and taking a longer-term approach to a destination.

4. Experiment with a few examples. Companies can start in one or two destinations to experiment with using smaller operators and providing a more unique service that reflects the character of the destination. They can then get feedback to check whether this is the kind of holiday that is appealing to their clients.

5. Integrate into normal business processes. No movement towards more responsible tourism will be sustainable unless change becomes integrated into normal business processes. Companies therefore need to take a long-term view of their future, and of how they will operate in a changing industry.

Dragoman, Tanzania. Within three years their aim is that 80% of trips will visit community development programmes. Many already do so already eg in the Usumbura Mountains, Tanzania, where clients receive a guided tour through the mountains and forest, experiencing the daily life and farming methods of Wasamba farmers. They get the chance to accompany a village group collecting medicinal herbs. The profits are used to assist local primary schools in the area.

Charity begins overseas

This chapter looks at which companies give money to charity, how much they give and whether they favour charities based overseas or in the UK. It shows how tourism companies encourage tourists to give to charities, and what sort of advice they offer to them. It places this charitable giving in the context of trends across many industries (not just tourism) and draws out some recommendations on how to give effectively, and advice to give to tourists.

Findings

Q6 – Does your company donate money to charity?

Information on charitable giving was relatively hard to come by. Few companies could provide the exact details for the previous year. Some were involved in charitable activities in the host destinations but had no records of this in the head office. Other companies gave donations in kind but did not seem to know if a record was kept or, if one was kept, where this might be.

However, out of the 61 companies whom we interviewed (excluding the four who are actually charities), over three quarters (46) said they donated money to charity.

Yes	No

figure 4 – Does your company donate money to charity?

## Q7 – In what ways does your company give to charity?

There were almost as many ways of distributing charitable money as there were companies engaged in the activities. There were also strong ideas about what was good to do and what was not, with some of these ideas in direct contradiction to each other.

Examples were: setting up a charitable trust which the tour operator administered eg MasterSun, Specialist Trekking Co-operative; giving to global environmental or development charities based in the UK but working overseas such as Friends of Conservation, WWF-UK and Survival International; giving £1 or £2 from every booking to a specified charity; giving to a well-known UK charity working in the UK; using money to buy things that are needed by projects that the tour operator visits; matching 'pound for pound' the donations that tourists give; and donations in kind in the form of training or advice.

Q8 – To which type of charities did you donate money?

Out of the 46 companies who gave money, the majority (33) gave directly to projects in the destinations in which they were working, often projects that they visited or used or had a long-term relationship with. Half gave money to UK-based charities working overseas, either in development work in the destination or with a global environmental remit. Six operators (mainly the larger ones) gave to charities working in the UK.
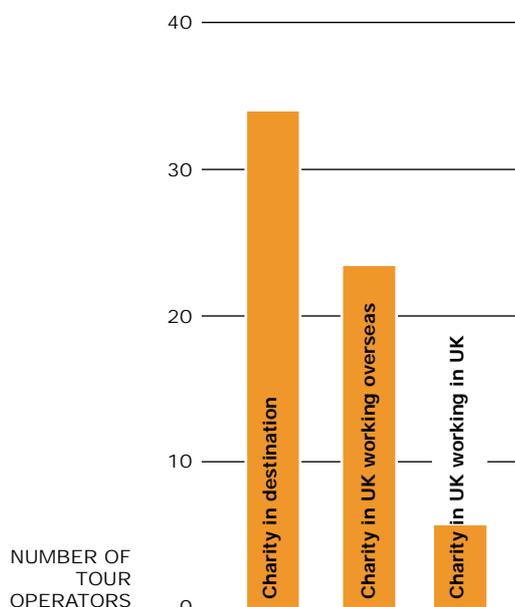
figure 5 – To which type of charities did you donate money?

Discovery Initiatives, Borneo, give £90,000 each year into conservation projects. They always partner with local communities and work with local conservation agencies in the countries they visit, in order to preserve the environment on which their holidays are built. The main charity they supported last year was The Orangutan Foundation, a UK-based charity working to protect orangutans in Borneo. Clients are encouraged to donate to charities operating in the destinations they go to, so that they can see the direct result of their actions.

Q9 – How much money did you donate during the previous financial year?

A total of £700,000 was given to charity in 1999/2000 (by the 46 companies who could provide information).

The bigger the company, the more money they gave away. Big companies gave on average £43,000 in the financial year, whereas medium companies gave £13,000 each and the smaller ones each gave £5,300 away. However, when this was considered in relation to profit, the smaller and medium-sized companies paid a higher proportion of profits to charity. Some of the larger companies gave as little as £1 for every £1,000 pre-tax profit, which is about 0.1%. The medium-sized operators who did give to charity gave an average of 1% pre-tax profit. The smaller operators gave varying amounts. From the data we were able to use, these companies gave the equivalent of around 5% pre-tax profits away to charity.

Several of the smaller companies did not give to charity as they placed an emphasis on paying fair prices throughout the whole operation and viewed this as a more sustainable and long-lasting contribution of the company to development in the destination. For example, Tribes Travel, who advertise themselves as the UK's only fair-trade tour operator, integrate their ethical principles throughout their operations by favouring locally-owned and locally-run businesses and community initiatives, and paying a fair wage for the expertise and services they use.

Company size	Passengers	Sample size	Data unavailable* or companies excluded**	Revised sample size	Total given to charity	Average per company
Large	>100,000	5	2	3	£130,000	£43,000
Medium	5,000-100,000	9	2	7	£90,000	£13,000
Small	<5,000	47	13	34	£180,000	£5,300

table 1 – Money donated to charity 1999/2000

* For one third of the companies who gave money away, we were not able to find details. This was because the person we spoke to in the head office did not know the figures and the companies had only submitted abbreviated annual accounts, which did not include details on charitable giving.
** We have also excluded Highway Journeys (who give away all of their profits, amounting to a total of £200,000) and Discovery Initiatives (who gave away £90,000 to environmental causes) from the average for small companies. They are both great examples of companies that are dedicated to making a real difference in the places they operate, but we have removed the results to provide a more representative picture across the industry.

MasterSun, Turkey, have set up their own trust called Masterserve which supports projects in the destinations they visit. Following the serious earthquake in August 1999 they started to publicise its operations and, using MasterSun's quarterly magazine, they launched an appeal for an earthquake relief project run by the Turkish Church. This single appeal raised over £50,000.

Q10 – Do you encourage your clients to give to charity?

Of the 46 companies who give money (and two that do not), two thirds offer some sort of advice or encouragement to tourists about how to engage in charitable giving.

Giving direct to projects
Some operators encouraged tourists to give money when they visited projects, or to bring out goods that they could give to the people they visited.

Giving money away in the street
Some operators gave advice to tourists not to give money out in the street, especially to children. Some then added that it is better to bring pens to give away while some said that tourists should speak to the rep or to their tour leader about possible local projects to support.

Optional donations
A few operators added an optional extra charge on the invoice, and specified which charity it would go to.

Contact with tourists when they returned
Many of the smaller companies, particularly those who are keen to encourage repeat visits, will send out a newsletter or new brochure to all clients when they are back in the UK. This often has details of projects to support.
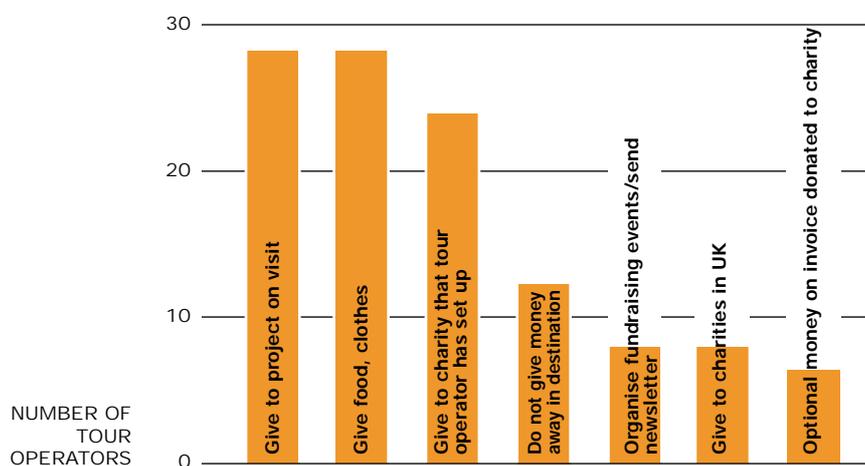

figure 6 – Do you encourage your clients to give to charity?

Commentary

Industry trends

The nature of charitable giving has changed significantly in the past few years. The main changes are:

Strategic approach
Companies have aligned their giving with long-term business objectives by funding projects that directly impact key stakeholders eg suppliers, customers, employees. This allows more focused giving, which is integrated into business processes and therefore more likely to last, even when margins are tight.

In-kind contributions
In addition to giving money away, companies are giving time, expertise and equipment which is often more focused on specific business needs and therefore more valuable in bringing about long-term change and building partnerships.

Thomson encourage fundraising for causes either based in the UK or in holiday destinations. To ensure that the money is used well and the activities have the support of their clients, they have developed a code of best practice for local fundraising. This includes: i) the requirement that the charity must be in a location where their business has an environmental impact, or be a (UK-based) nationwide charity; ii) activities must be open, transparent and accountable; and iii) there must be a formal agreement with the charity for any activities they plan.

Evaluation

Various tools have been developed to measure the impact of giving, and therefore to be able to continuously increase the impact, and determine the most strategic and relevant inputs.

Participation

More and more companies are including different stakeholders (eg non-governmental organisations, employees, local communities) in designing and implementing their giving activities, so that they are more effective in meeting real needs, more integrated into community activities and therefore more sustainable.

Conclusions

It is encouraging that so many companies are giving money to charity. It is also encouraging that over half of those giving money are targeting charities in destinations in which they are operating. This means that the tour operators are contributing in a positive way to those whose lives may be adversely affected by any tourism development in their area, or who may be missing out on direct economic benefits. They are also helping to reverse some of the decline of the natural environment. However, the larger companies are more likely to give to charities operating in the UK. While these charities may be doing good work, the tourism industry surely has a responsibility to support people overseas whose lives they are affecting by their presence in their communities? With increasing pressure for profits, charitable giving that is more targeted and aligned with business interests is likely to be more sustainable, both for the industry and for the charities themselves.

There is a wide variety of ways of engaging in charitable giving, and a range of advice given to tourists. Advice from one company may contradict advice from another, which shows the potential usefulness of some basic guidelines. These would give operators confidence in their charitable activities, and encourage consistency and adherence to good practice across the industry.

However, charity is no substitute for ethical practice. So, while charitable giving is to be encouraged, it can only ever be seen as one part of a company's responsible behaviour.

Recommendations

Actions to ensure more effective charitable giving by tour operators

Below are ten suggested steps that companies could take to ensure that their charitable giving is integrated, effective and sustainable. They draw on the *Business for Social Responsibility website (www.csr.org)* and *The Cause Related Marketing Guidelines (Business in the Community, 1998)*.

1. Integrate charitable giving into the overall company mission and objectives. Develop a clear understanding and articulation of how it fits into normal business operations, and ensure support at the highest level. This will help establish a clear set of values by which to decide where and how to give.

2. Appoint a staff member who will have specific responsibility to oversee and develop charitable giving activities.

3. Initiate effective research into the possibilities of funding, particularly in the destinations in which you work. Take some time to speak to staff and to the development and environment charities there. Find out their views on the real problems and ways they think you can best help. It is better to give less money in the first year and to spend time doing the initial research well, in order to ensure that future money is spent well. Consider working with a local organisation that can help you with the research and distribution of funds. UK-based development and environment groups may be able to help you find suitable partners.

4. Commit to a funding level and stick to it. This will enable you and the charities to plan better. Possible methods to decide a suitable level include: fix a set level of pre-tax profits either using a sliding percentage based on profitability, or a fixed percentage; set an amount for each year, regardless of profit; or give a per capita rate for each employee or visitor.

IntoAfrica UK have guidelines for tourists that suggest: 'Giving children gifts or money can result in them spending more time begging from tourists than going to school. There are other and better ways to provide real help eg giving direct to a school, and seeking out ways of doing this can be interesting and rewarding.' Also: 'Enjoy yourself, but remember that an extravagant display of wealth is insensitive to local people who may have to manage on much less money than you have.'

5. Combine charitable giving activities with other company activities such as provision of training, in-kind donations, shadowing and placements. Consider how you can help to build the capacity of local entrepreneurs who could be integrated into the tourism industry in the destination. Fund projects that directly impact key stakeholders eg suppliers, customers, employees. This will strengthen your supply chain and help bring sustainable change.

6. Develop long-term partnerships with the charities you are working with. This will ensure that the giving brings lasting change. Develop a formal agreement so that both sides know what to expect from the relationship. Ensure that regular communication happens.

7. Focus on the poor as they will often be left out of any tourism activities, and may bear the brunt of any negative effects. Try to support some charities that are working with the poorest people in the destinations.

8. Focus on the destination and try to give to charities that are either UK-based and working in the destination, or are based in the destinations themselves.

9. Evaluate your activities regularly to ensure that you are doing the most with your money, and to make changes if necessary. Consider bringing in an independent assessor.

10. Brief your staff in the destinations and in the UK about your charitable giving policies and the information you offer to clients.

Actions to ensure more effective charitable giving by clients

Below are some ways to encourage clients to give to charity, and to help them respond compassionately when they encounter poverty in the destinations.

1. Before they go. Publicise the charities you support in your brochure and include fuller information in your pre-departure pack. Consider collecting charitable donations before the tourists travel, possibly through a voluntary supplement to the invoice.

2. Bringing goods to give away. If you think that tourists may bring goods for local people, find out beforehand what is most suitable to bring and let them know. Arrange for any goods that they have brought to be collected by the rep or tour guide and distributed through a local agency once the tourists have gone.

3. Understanding and responding in the destination. Use the welcome meeting to help tourists understand the extent of poverty or other problems in the destination eg environmental destruction. Explain the causes of the problems and what they are likely to encounter eg begging, children asking for money. Inform tourists about possible responses they can make, including giving to local charities when they are there, giving when they get back home and giving away goods.

4. Responses to begging. Begging is often the greatest concern for tourists. Encourage people to seek local advice on how to respond and place begging within its local cultural context. Some may choose to give to local charities, others may choose to buy food, or give money. Whatever they choose to do, encourage a compassionate and respectful attitude. Help them to be sensitive about how giving away money or sweets to children may may affect their attitudes towards school ie they could see begging as more rewarding than gaining an education.

5. Visiting local projects. Offer the opportunity for tourists to go to visit any projects you support. However, actively discourage ostentatious shows of charity when they are there, as this can reduce the dignity of the beneficiaries. Collect a fee from each tourist beforehand, which will go directly to the development work in the project.

6. Collecting and distributing money. Encourage the local rep to collect any money in the destination and to distribute it discreetly through a local agent once the tourists have gone.

7. Back in the UK. Provide information and advice for tourists for when they return home so they can continue to support the charities that are connected with your business.

Exodus Travels, Kenya and Tanzania, support a programme called Project Life Lion, in partnership with Paradise Wildlife Park in the UK. The clients who travel to Kenya and Tanzania with Exodus help the funding of the vaccination of domestic dogs around the Serengetti for Canine Distemper Virus and Rabies. The programme has helped to prevent the spread of the diseases to the wildlife there, has reduced its levels in the domestic dog population to very low levels, and will also help to reduce the incidence of the diseases in humans. Clients on the trips also have a chance to receive a talk from a member of the project.

Developing local partnerships

This chapter looks at whether tour operators consider themselves to be in partnership with businesses in the destinations, and what they mean by the word 'partnership.' It also considers what type of training and advice they offer. It puts this in the context of increased community involvement across all industries, and suggests some principles that should underpin this, and some possible actions to take now.

Findings

Q11 – Would you use the word 'partnership' to describe the relationship with your suppliers?

When asked whether tour operators would consider their relationships with their suppliers as a partnership, the overwhelming majority (80%) said yes.

Yes	No

figure 7 – Would you use the word 'partnership' to describe the relationship with your suppliers?

Q12 – What do you mean by partnership?

When asked to define what this meant for them, a variety of different answers were given, but many strong common themes appeared.

Relationships at the centre

Over 70% of those questioned who considered themselves to be in a partnership with their ground operators, spoke of this in terms of long-term commitment. The other areas of a good relationship were spending time together, trust, listening and good communication. This emphasises the importance of good relationships in tour operating, an industry still characterised as exploitative of its purchasing power. Breaking this down according to company size, roughly half of all of the small and medium-sized operators placed a significant emphasis on the centrality of good relationships, whereas the larger operators barely mentioned it.

Joint business approach

It is common that tour operators will work closely with ground operators or service providers to develop the necessary services in the destination. Many of the smaller specialist operators plan their trips together with those
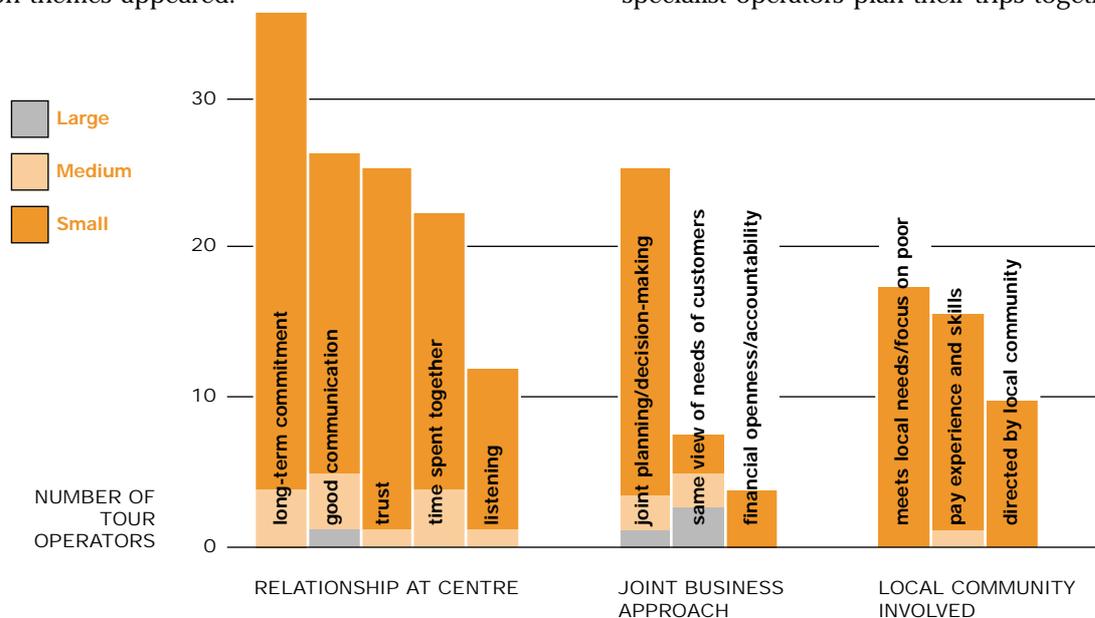

figure 8 – What do you mean by partnership?

Wind, Sand and Stars, Egypt, trade directly with local Bedouin families in the Sinai, and organise expeditions for people from the UK to work on community projects there. They ensure that the guides are properly paid for their expertise and they also subsidise the guides to take on younger Bedouin as apprentices. This enables the local children and teenagers to see that their culture and way of life is valued by those outside their community, thus encouraging them to stay in their desert land instead of trying to seek jobs in the growing tourist resorts on the coast of Sinai.

in the communities they visit. This ensures that the communities are happy with the way tourism develops, and can cope with the number of tourists coming. For the larger groups, partnership often focused on sharing the same view of customer service and being able to provide the necessary standard of service, but little more than that. A few of the smaller UK operators also mentioned financial openness, but this was a low priority.

Local community involvement

One third of those who answered emphasised the need to properly recognise skills and experience and to pay a fair wage for them. This focuses on paying for quality as opposed to paying the lowest price possible. Other operators, mainly those set up with strong development aims in mind, thought it was vital that a partnership would meet local needs, particularly those of the poor. Finally, a significant minority emphasised the need for local communities to be able to determine the direction of their tourism development. The emphasis on local community involvement came almost exclusively from the smaller operators, with one mention from a medium-sized operator and no mention from any of the larger operators.

Q13 – What type of training do you provide?

Many of those who spoke of being involved in partnerships were involved in some form of training.

However, for most it was a relatively small part of their operations, and it was not seen as a high priority. Some of those who did not provide training said that the relationship with their ground handlers overseas was so close that they discussed everything and worked together in all aspects of the business. Others operators did not provide any training as they tried to find service providers who could already provide the services they wanted.

Skills development

This ranges from working with guides to improve their skills (including bringing some to the UK, or paying for others to shadow those who were already trained), paying for reps to have language training, and working with people in villages to help them prepare food in a way that clients will like.

Understanding consumers and customer service

This involves training staff, particularly those in hotels, to treat tourists in a way that they expect. It enables both tour operator and local business to be confident that their services meet the clients' expectations. Some companies also give more general advice to smaller, community tourism initiatives to help them pitch their product at different operators in the European and North American travel market. (Companies also offer advice to tourists on how to treat those in the destination, but this is covered in the next chapter on responsible tourism.)

Health and safety

Many operators provide advice and training to hotels so
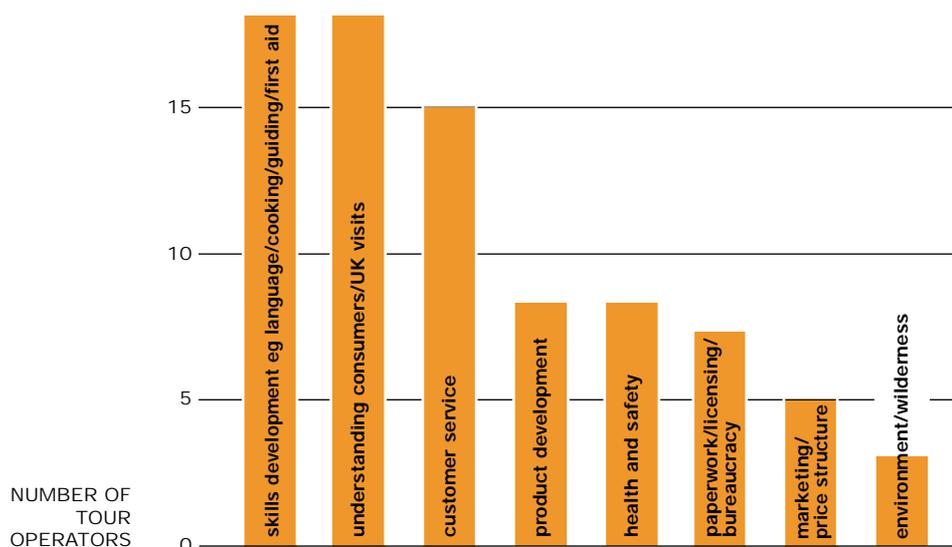
figure 9 – What type of training do you provide?

Explore Worldwide, Sri Lanka, work with local guides who they believe are better than those from the West due to their local knowledge and understanding of the culture. If these guides lack some expertise, Explore will help to train them. They recently took a guide over to the UK during the low season in Sri Lanka and enabled him to go on other Explore trips to help him gain a better understanding of European tourists. Explore then employed him, and he was able to go back to Sri Lanka as a tour leader.

that they can meet the health and safety requirements of the EU Package Holiday Directive. This may involve written guidelines or sending experts to those hotels to run training workshops eg on food preparation.

Product development
Operators who are in long-term relationship with groups or service providers may help them to develop their product to increase the quality of experience for the client. In many cases this involves helping communities develop a series of activities, which can be done in a single day or in two days. This enables a visit to rural village or community tourism initiative to become viable as part of a standard package tour, and is not just limited to those wanting to have a completely alternative holiday.

Bureaucracy
This involves helping suppliers to undertake the necessary paperwork in registering themselves and in meeting the legal requirements of being a business.

Environment
This is mainly working with rural groups to support them in maintaining their wilderness and local environment to ensure that tourism does not do any damage.

Commentary

Industry trends

The role of the company in modern society is changing. It used to be acceptable to see a company's role as providing jobs and making a profit for its shareholders. However, the economic bottom line (profit) has given way to the triple bottom line (economic, social and environmental) and a company's responsibilities are now to its stakeholders, not only its shareholders. There is a growing body of research to suggest that responsible organisations are already more commercially successful (see '*The Responsible Organisation', The Future Foundation 1997/8).*

Part of this overall trend is increased involvement with the local community. This spans a wide range of activities and includes developing local infrastructure, enhancing jobs skills of local residents, introducing technology, sharing business practice and supporting local business development. If done well and in partnership with the local community, it has the potential to bring many benefits. However, if done badly, it can further marginalise local groups.

Increased involvement with the local community also brings benefits to the companies involved. It provides a trained local labour pool that will be able to meet the company's needs, and increases understanding of local cultures and norms, so that local operations are smoother and more integrated. It also improves relationships with the community, supports the local infrastructure to improve logistics and service provision and increases employee skills and training. Finally, it enhances brand image which will, in turn, increase competitive advantage as clients include ethical principles in their purchasing decisions.

Community involvement is a forward-looking activity for companies that want to be successful in ten or 20 years' time. It is a process of long-term investment, which will enhance the quality of the product and the competitiveness of the company.

Conclusions

It is encouraging that so many tour operators spoke in terms of partnership with local communities or local service providers. Many of the smaller specialist operators saw this partnership in terms of a long-term commitment to a destination and the people there, with a strong

Regent Holidays, Baltic States, run tours to unusual parts of the Baltic States and bring income and benefits to places outside the capitals and the better-known areas. Clients go to small family-run hotels in areas that have little other industry. Regent actively promote these areas on behalf of small local tourism providers and work with them to produce high-quality products. They also give language assistance in the production of marketing materials.

emphasis on the centrality of good relationships at the heart of tourism, and a fairer distribution of any benefits. Medium-sized operators did also consider long-term relationships to be important. However, many of the more mainstream operators saw 'partnership' only in terms of providing a good-quality service that met the standards of the UK market, and made no mention of community involvement or developing good relationships. This seems to be little more than a new word for 'sub-contracting'. These bigger operators said that they would need so many local partners that they simply opt for the large, usually Western-owned hotels, which they know will already be able to meet their demands for quantity and quality.

Training features on many tour operators' agendas and includes skills development, customer service, product development, understanding the UK market and health, safety and environmental training. However, this was one of the most disappointing results of the questionnaire. One of the main barriers to improving local benefits was identified as lack of capacity or quality of local suppliers and ground agents, and yet the training that operators were offering in this area was limited.

On the whole, where training was offered, it was mainly done by the smaller, specialist operators who were committed to a particular group of people for many years. However, many of these smaller operators said that they were simply too small and could have only limited impact in a destination that they could not afford to provide any training. One even suggested that all operators be encouraged to contribute to a fund in the destination that could help to provide the necessary business training.

Finally, developing local partnerships and providing training is often much better than charitable giving in terms of sustainable development. Partnerships and training, by their very nature, are integrated into business activities and their success can be easily be shown to contribute to the overall success of a tour operator in terms of its image, profitability and quality of a product.

This is one of the most important areas in which operators could invest more time and effort to make a positive difference.

Recommendations

Principles

These key principles behind developing partnerships and increasing community involvement draw heavily on *Tearfund's Operating Principles* for community development.

Long-term commitment. A partnership takes time to develop, and both sides need to know that the other is committed to the relationship.

Mutual respect. Although the relationship is likely to have a power imbalance because the UK tour operator will have most of the money, mutual respect is vital if the partnership is to be successful. It acknowledges that both sides have something to bring, and both sides are likely to benefit and be changed in the process. It also

includes respecting cultural differences and trying to come to a compromise, as opposed to imposing a Western approach. It may involve making initial contact through someone who is trusted by both sides of the potential partnership.

Accountability and transparency. There needs to be a clear agreement about what any partnership involves, where different responsibilities lie and how the partnership will operate. There should also be clear understanding of what happens when things do not go exactly to plan, with the commitment to rectify any mistakes if possible, as opposed to abandoning a partnership at any sign of trouble. Where possible, decision-making should be a joint process.

Integrated into the whole community. It is important that benefits are widely distributed so that any partnership

British Airways Holidays, worldwide, have a scheme of hotel audits or reviews in order to keep a check on how their hotels are operating. As part of this they look at environmental issues such as waste and energy conservation, and social issues such as sourcing of supplies. This has led to recommendations for improvement in certain hotels.

can be seen to enhance community development and not just the livelihoods of a few people within a community.

Training and development. Any partnership will need to include an element of training and development. This will be based on needs that have been identified together by both sides of the partnership. It will enable the ground agent, service provider or local community to provide a better service for tourists, and will help them maintain control of their lives as tourism develops.

Fair price and adherence to labour standards. As a minimum, any tour operators should pay a good wage for a full-time job and a fair price for any services provided. This could mean paying above the local rate. It will also mean a bare minimum of adherence to international labour standards, but a responsible company should be seeking to implement the highest possible standards in labour, as it does in health and hygiene. They should seek to adhere to the same standards overseas as they do in the UK.

Action

Developing good-quality, long-term partnerships can be time time-consuming if done in a way that respects the other party. However, the initial investment of time will bring dividends in the future in terms of the increased quality of the product, experience for the tourists and benefits to the local community. Possible activities for tour operators to undertake towards effective partnership with the community are:

1. Integrate community involvement goals into the overall company mission and objectives. Develop a clear understanding and articulation of how this fits into the company strategy for providing good-quality holidays. Ensure that there is support at the highest level.

2. Appoint a staff member for each destination area who will have responsibility for developing better local partnerships.

3. Take a long-term view and consider using some of the money you would have given to charity to invest in training and business development for local communities in the destination. Develop a five or ten-year plan outlining what you hope to achieve.

4. Seek local advice on the best way to develop partnerships. Consider working with a local organisation to make the necessary contacts, or with a UK-based group with the necessary expertise and contacts. Develop a clear set of ground rules for the partnership.

5. Focus the training input by working with local businesses to identify the barriers they face and the best ways to overcome them. Speak to the local tourism association and consider how you could work together. Support any local training institutions there may be which focus on business development or the hospitality industry. Speak to local government about the issues you face as an operator in using local services and supporting local development. Seek to work with them to support local businesses.

6. Take a supply chain perspective and seek opportunities within the supply chain to make a difference and increase the quality of the tourism services you offer.

7. Try a pilot project in one or two of the destinations in which you operate and seek your clients' opinions on the service provided and the experience they enjoyed.

8. Focus on the poor and investigate how community involvement can integrate them into the tourism industry or provide them with some benefits from it.

9. Evaluate your activities regularly to ensure that you are doing the most with your money, and to act to bring improvements if possible. Consider bringing in an independent assessor from time to time.

10. Brief the staff in the destinations and in the UK about your community involvement and ensure that they have adequate information with which to brief clients.

Tapestry Holidays, Turkey, work with the Kalkan Foundation. This is a council trying to influence the tourism authorities to prevent mass tourism and to ensure the quality of existing tourism is maintained. Tourism in Kalkan started 15-20 years ago and they identified early on that they wanted quality not quantity. Activities include cleaning beaches and managing sewer systems. All new hotels are built outside the village so that the village itself can retain its character.

Responsible tourism policies

This chapter looks at whether companies have a written responsible tourism policy, the reasons for producing the policy and whether it focuses on the operations of the company, the supply chain or on tourists themselves. This policy may include reference to components mentioned in the previous three sections of the report, namely supporting the local economy, developing partnerships and charitable giving, but is not restricted to these areas of activity. Understanding that responsible tourism involves both companies and tourists, this section concludes with the possible components for a responsible tourism policy for the industry and a code for tourists.

Findings

Q14 – Do you have a responsible tourism policy?

Nearly 50% (32) of those asked claimed to have some form of responsible tourism policy.

Yes	No

figure 10 – Do you have a responsible tourism policy?

Q15 – What form does this policy take?

The responsible tourism policy took a variety of different forms.

Set of principles within the company
The most popular type of policy companies had was a set of written principles that underpinned their operations. Some published this in their brochure, others just kept it as an internal document.

Series of activities
Other operators laid out a list of actions that they would do, and what they would not do.

Aspirations
A few companies had a written set of aspirations ie principles that they were aiming for, and what these might look like in practice. One operator even mentioned in their brochure that 'we don't pretend to be getting everything right' but that they are committed to doing as much as they can.

Code for tourist behaviour
Many companies said that their responsible tourism policy was a sheet of suggestions for how tourists should behave. Responsibility was therefore shifted away from the operations of the company, on to the behaviour of tourists.

Q16 – Do you plan to produce a policy in the future?

Of the 33 who did not have a policy, over half of them (17) said they were planning to produce some form of policy in the future.

Yes	No

figure 11 – Do you plan to produce a policy in the future?

Q17 – Why did you produce your policy?
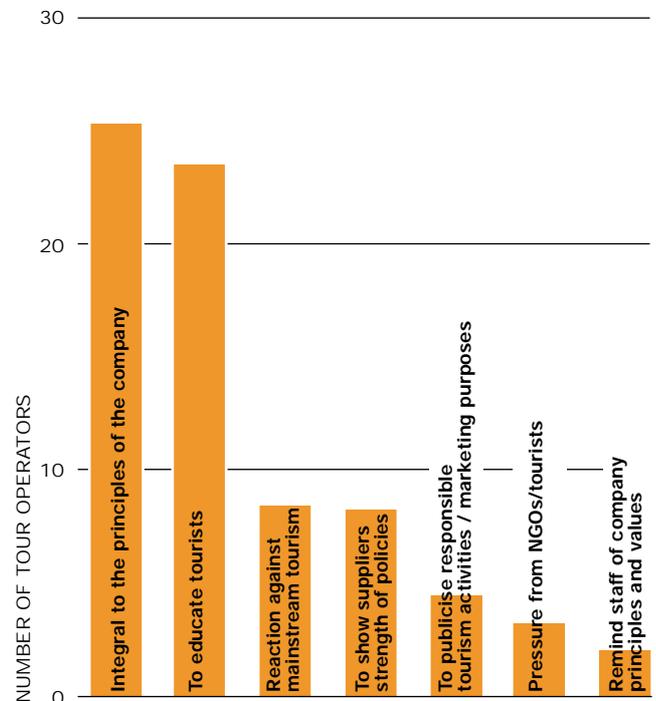
figure 12 – Why did you produce your policy?

Rainbow Tours, Southern Africa and Madagascar. They have a responsible tourism policy at the back of their brochures, and use it to emphasise the need for sustainable development that goes further than environmental concerns. The policy includes i) promoting less well-known destinations which would benefit from a greater share of the tourism cake; ii) supporting tourism businesses owned and operated by the previously disadvantaged population; iii) using locally-owned accommodation; and iv) seeking to ensure that service providers pay adequate wages, have good employee relations and respond to the concerns of the wider community.

Companies had produced policies for all sorts of reasons:

Integral to the principles of the company
When this was the case, it was common that tour operators had developed the set of principles right from the start. This was usually the case for smaller specialist operators, who had been established with the aim of promoting development in a region, or whose growth depended on a deep knowledge of a few areas eg Tribes Travel, Rainbow Tours.

To educate tourists
The focus of policies on educating tourists is not surprising, considering the earlier results that mentioned unprepared tourists as being a key barrier to bringing more benefits to local people.

Way of differentiating themselves
Some of the smaller operators had produced a policy either to react against mainstream tourism, or as a way of celebrating what they were doing and differentiating themselves. Dragoman wanted a policy as a reaction against the accusations that overland operators cause the most destruction. Discovery Initiatives set up and developed a policy as a reaction against the destruction to the environment of mainstream tourism and many so-called 'ecotourism' initiatives.

To integrate the ethos into business
Some of the tour companies wanted all suppliers and staff to know their policy so that they could ensure that it was implemented right down to ground level. These companies had produced policies in a way that was easy for suppliers and staff to understand and therefore implement.

External pressure
Only three operators mentioned external pressure, from NGOs or from tourists, as a motivating factor for producing a policy. However, when asked if companies were thinking of producing a policy in the future, over half who did not have a policy already, said that they were. Pressure from NGOs or an awareness that clients' expectations were changing were frequently cited as reasons for doing this, even if the clients had not directly approached the companies themselves.

## Q18 – Why have you not produced a policy?
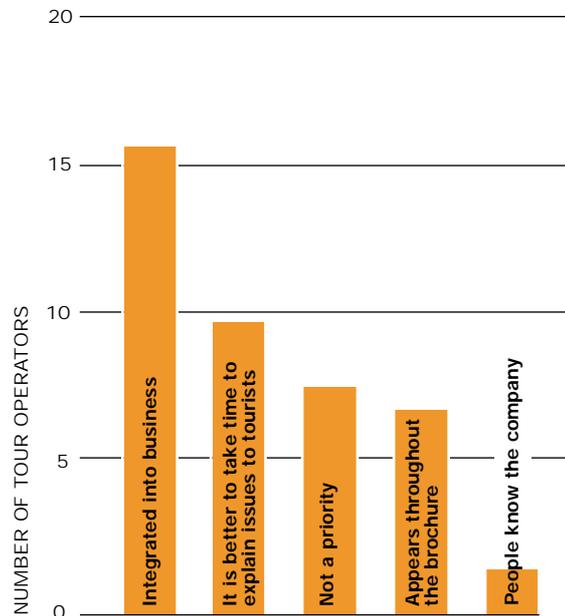
figure 13 – Why have you not produced a policy?

Integrated into business
Many of the specialist companies said that their policies were integrated into their operations, that they had only a few staff and that these staff were so involved in the company that they had no need for a written policy. One company previously had a responsible tourism code, but no longer used it.

Time to explain to tourists
Again, many of the specialist companies said that a verbal briefing to clients about the issues is better than a written one eg Sunvil Africa will spend an average of 2-3 hours overall on the phone to each client, answering their questions, and educating them about the place they are going to.

Lack of priority
Some companies simply said that it was not a priority, that their clients were not interested and that they were simply in the business to make money.

Imaginative Traveller, core values and objectives. They have a set of core values and objectives that underpin their operations, including being open and honest in communication and sales literature, paying accounts on time and respecting the environment. Their separate environmental policy then includes keeping their own house in order in the UK (through recycling, reducing waste, saving energy etc), working with local groups who share the same commitment to the environment, training staff so that they can behave responsibly, and educating tourists to do the same.

Appears throughout the brochure

Finally, a few companies who did not have an explicit policy, mentioned that their values and principles appeared scattered throughout the brochure, and integrated into what they had written.

Q19 – Are more clients asking about responsible tourism?

Despite a recognition by many companies that there is increased interest (especially in the media) in holidays that are more ethical, few companies reported that their clients were asking more about it. Only about 30% (19 out of 61) said that clients were asking more about some of the social, environmental and economic issues in tourism. However, a significant number of the specialist operators said that clients were certainly more interested in the issues when they came back from a holiday and had seen the situations for themselves, and seen the benefits that tourism can bring, and the potential negative effects.

Yes	No

figure 14 – Are more clients asking about responsible tourism?

Commentary

Industry trends

It is increasingly common across all industries for companies to have responsible business policies. Examples include environmental policies of various oil companies, labour standards and ethical sourcing policies of UK supermarkets, a commitment to avoid the use of child labour by textile companies and statements against the use of animal testing by cosmetic companies. Some companies have their practices independently verified and are awarded a mark eg the fairtrade mark. Others simply produce a policy for public relations purposes and do little to ensure that it is implemented.

In the tourism industry there are numerous schemes and awards, recognising various different aspects of responsible business practice. British Airways Tourism for Tomorrow Awards have annual awards in six categories including accommodation, tourism organisation and mass tourism. Green Globe certifies for their view of sustainable tourism and allows operators to use one logo if they join the programme and another one if they reach the required standard. AITO have developed a responsible tourism policy and plan that it will become a condition of membership in the future.

Even if some of these schemes could still go further in embracing all aspects of responsible tourism practice, they serve to highlight good practice that is happening at the moment and are encouraging more operators to develop their responsible tourism policies and practices.

Conclusions

Many tour operators claim to have some form of responsible tourism policy, although these appear in widely different forms and are aimed at different people. Some are aimed at staff, others at suppliers and others at tourists themselves. Reasons for producing these were to educate tourists, suppliers and staff, as a reaction against the mainstream industry, and because the principles are integral to the operation of the company.

Only a few tour operators are up-front about their policies or make them explicit and easy for clients to access. Although the policies may appear in their brochures, many are scattered throughout the brochure so they are difficult to understand fully, and some are so brief as to be virtually meaningless.

Some very good and detailed policies do exist, and the best ones include a broad set of principles with details about how these will be implemented in practice right throughout the supply chain eg The Imaginative Traveller.

However, over half of the operators asked still have no policies (although half of these said they planned to develop one in the future). It is likely that more and more tourists will be asking for the responsible tourism policies of

Symbiosis Expeditions, code of ethics and principles. This determines the way they operate, including: i) vetting local business to ensure that they employ local staff, source local food and equipment, have responsible waste disposal measures, support conservation and education programmes; ii) not imposing on local communities and their traditions; iii) regularly monitoring trips for their impact; iv) giving adequate preparation to each client; and v) expecting responsible behaviour from clients (or they are asked to leave the trip, with no refund given).

22 *Responsible tourism policies*

companies, so there will be a mounting pressure to produce them. However, tourists are increasingly discerning, and will need to see evidence that the policy is not just for show, but is actually implemented on the ground. Companies will need to show evidence of good practice examples where they are behaving responsibly and making a real difference to the lives of people on the ground.

Many tour operators also see themselves as having a strong educational role in helping tourists to understand the people and culture in the destination they will be travelling to. A number of well-developed policies exist in this area, based on work over many years (through CART {Centre for the Advancement of Responsible Travel}, Tourism Concern and others).

Sending out a basic code to tourists to encourage them to think about their behaviour is such a well-established practice in some parts of the industry, and it is a relatively straightforward thing to do, that it is surprising that so few operators do it.

Recommendations

Possible components of a responsible tourism policy for industry operations

Many of the principles behind a responsible tourism policy will be similar to the principles involved in setting up partnerships (see page 18). They have also been covered extensively elsewhere, so we will not attempt to replicate previous work. What makes a policy meaningful is the details of how it will be put into practice, and below we have offered some suggestions.

1. Support local links. Use locally-owned accommodation and service providers wherever possible, and support local artisans and craft producers. Favour ground operators who use local transport providers, source food locally and source guides locally. Work with already established local businesses, service providers, co-operatives or associations who favour employment of local people, pay adequate wages, and have good working conditions and employee relations.

2. Clear contract. Negotiate clear terms and conditions of operation with service providers, recognising the power imbalance that exists and allowing for this while undertaking negotiations.

3. Social and environmental audits. Extend health and safety audits of hotels to include environmental and social issues, and recommend changes based on your findings.

4. Culture. Respect the local traditions and culture in the places where you operate, and allow workers and staff to observe their religious and cultural practices.

5. Community partnerships. Identify community initiatives with which you can form a partnership, and establish what training they will need

6. Charitable giving. Develop a clear policy on charitable giving and integrate this with your normal business activities and training of local suppliers and service providers.

7. Monitoring. Monitor your activities regularly to assess their impact and see if there are any areas for improvement.

8. Code for tourists. Produce a code for tourists in order to encourage responsible behaviour from all those who travel with you. This code may vary between destinations.

9. Training staff. Train your staff in how to implement the responsible tourism policy.

10. Implement policy through the supply chain. Make your responsible tourism policy clear and available to service providers with whom you are working, and provide the necessary support and training for them to implement any changes.

Friends of Conservation Traveller's Code. This leaflet is distributed through some companies and travel agents. It includes sections on saving resources, buying local produce, respecting local culture, asking permission before taking photos, avoiding buying ivory products and specimens from beach traders and finding out information before travelling.

Possible components of a code for tourists

Tour operators can easily send out any of the existing codes to their customers, or adapt one to be more targeted. In *Tourism – Don't Forget Your Ethics! (June 2000)* Tearfund outlined a possible code for tourists, which is reproduced below:

Make the most of your holiday...

1 Find out about your destination – take some time before you go to read about the cultural, social and political background of the place and people you are visiting.

2 Go equipped with basic words and phrases in the local language – this may open up opportunities for you to meet people who live there.

3 Buy locally-made goods and use locally-provided services wherever possible – your support is often vital to local people.

4 Pay a fair price for the goods or services you buy – if you haggle for the lowest price your bargain may be at someone else's expense.

5 Be sensitive to the local culture – dress and act in a way that respects local beliefs and customs, particularly at religious sites.

6 Ask permission before taking photographs of individuals or of people's homes – and remember that you may be expected to pay for the privilege.

7 Avoid conspicuous displays of wealth – this can accentuate the gap between rich and poor and distance you from the cultures you came to experience.

8 Make no promises to local people that you can't keep – be realistic about what you will do when you return home.

9 Minimise your environmental impact – keep to footpaths and marked routes, don't remove any of the natural habitat and reduce the packaging you bring.

10 Slow down to enjoy the differences – you'll be back with the familiar soon enough.

...and ensure that others can too.

Sustainable Tourism Officer. Some operators, such as Thomson, Imaginative Traveller and British Airways Holidays have a dedicated Responsible/Sustainable Tourism Officer and Exodus have a Responsible Tourism Manager. Their role is to look at what a responsible tourism policy means for the company and how it is integrated into the overall business processes and implemented on the ground.

General conclusions

We had no difficulty in finding good practice in all of the areas covered in the report, namely bringing benefits to the local community, charitable donations, partnerships and training, and responsible tourism policies. However, this good practice is often hidden. This represents a missed opportunity for the companies involved as it prevents tourists being able to make a positive choice about which company they go on holiday with. It is also damaging for the industry as a whole because it prevents others from sharing this good practice and increasing the benefits they can bring to local communities and to clients.

Social responsibility is a growing area of business activity. The tourism industry has made good progress on environmental issues but lags behind other industries in terms of fulfilling its social and economic obligations. With the rapid growth of international tourism, and the vast flows of money, tourism, if conducted in a responsible manner, has the potential to make a significant contribution to international development.

Education of consumers is vital to bringing about lasting change. Many operators cited positive tourist attitudes as a major factor in increasing benefits, and irresponsible tourists as one of the main barriers to bringing benefits to the destination. Tour operators need to ensure that their clients travel with all of the information they need and with a positive attitude towards their destination and local people there.

Change will take time and will require a long-term commitment. Operators will need to do some more research into the possibilities of local partnerships, how they can use local business and how they can invest in, and develop, local entrepreneurs. They will also need to

speak to a wider group of people when setting up in a destination to find out about the local issues, and details of potential local partners.

Charitable giving is no longer accepted as an add-on to other business activities. Forward-looking companies are integrating their charitable giving activities and their community involvement into their mainstream operations. The tourism industry is in an ideal position to build the capacity of its supply chain and therefore to make a significant contribution to development in the destinations.

Simply writing a responsible tourism policy is no longer enough. Clients are becoming increasingly discerning and can see through companies that simply pay lip service to responsibility, but do little to change the way they operate. Companies will need to show practical examples of where they have made a difference.

There is therefore now a market opportunity for the companies who become more ethical throughout their operations, and differentiate themselves in the increasingly competitive tourism industry. Conversely, those who fail to do this are likely to see themselves left behind as customers will start to make more positive choices.

It is also in the best interests of the industry to ensure that any tourism is sustainable for the people in the destinations and their environment.

The challenge is therefore for companies to be bold enough to adopt this long-term view and to become leaders in the 21st century, as opposed to those who merely try to follow the trends a few years too late.

Research methods

Selection

We selected approximately 100 tour operators who go to developing countries and whom we thought had a high chance of being able to give us examples of good practice.

We tried to include a mixture of operators ranging from small (less than 5,000 passengers per annum) through medium (between 5,000 and 100,000 passengers) and large (more than 100,000 passengers).

We also tried to ensure a mixture of mainstream operators and more specialist ones.

Process

During October and November 2000 we sent a personally-addressed letter to each company outlining the research, and requesting a copy of their brochure, responsible tourism policies and details of charitable donations for 1999/2000. The letter explained that we would phone them for a telephone interview.

One to two weeks later we phoned the company to undertake this interview, or to arrange a time when we could call back.

If we could not speak to the right person, we left a message for them to phone back.

If they did not phone back, we followed up each company at least three times, and some up to ten times.

We set a cut-off point of 8th December in order to write up the research.

Problems

Some companies did not phone back as there was confusion as to who dealt with issues of responsible tourism. One operator passed the enquiry between five different people, and still could not find someone to answer the questions by the time the research ended.

Some of the smaller operators only have two or three people in the office and, in some cases, the person most suitable to answer the questionnaire was overseas during the research.

Other companies said that they did not have 20 minutes to spare to answer the questions, or simply did not return the call.

One operator even asked us to pay for the time taken to fill in the questionnaire!

It is a shame that we were unable to speak to the remaining companies, as they are likely to have had some good practice to share and would have made a valuable contribution to the research.

Additional sources used

Association of Independent Tour Operators (2000) *Responsible Tourism Guidelines*

Business in the Community (1998) *The Cause Related Marketing Guidelines*

Business for Social Responsibility (2000) *www.csr.org website sections on corporate philanthropy and community involvement*

Mason, P and Mowforth, M (1995) *Codes of Conduct in Tourism*

Tearfund (1998) *Operating Principles*

Tearfund (2000) *Tourism – an Ethical Issue*

Tearfund (2000) *Tourism – don't forget your ethics!*

The Future Foundation (1999) *Citizen Brands*

Tour operators included in the research

Operators interviewed

Abercrombie and Kent
Amos Trust
ATG Oxford
Avian Adventures
British Airways Holidays
Campfire Adventures
Coral Cay
Coromandel
Discover the World
Discovery Initiatives
Dragoman
Earthwatch
Exodus Travels
Explore Worldwide
First 48
First Choice
Global Perspective
Golden Hill Travel
Hayes & Jarvis
High Places
Highway Journeys
Himalayan Folkways

Himalayan Kingdoms
Holts Tours
Imaginative Traveller
IntoAfrica UK
JMC
Journey Latin America
Just Grenada
Kumuka
Laskarina Holidays
Last Frontiers
Limosa Holidays
McCabe Pilgrimages
Magic of the Orient
MasterSun
Nepalese Trails
Noble Caledonia
Nomad African Travel
Nomadic Thoughts
Okavango Tours & Safaris
Progressive Tours
Quest for Nature/Ornitholidays
Rainbow Tours

Regent Holidays
Safari Consultants
Safari Drive
Silk Steps
South American Experience
Specialist Trekking Co-operative
Steppes East
Sunvil Africa
Symbiosis Expeditions
Tapestry Holidays
The Gambia Experience
Thomas Cook Holidays
Thomson Holidays
Tim Best Travel
Tribes Travel
Trips Worldwide
Truck Africa
Wildwings
Wind, Sand and Stars
World Expeditions
Worldwide Journeys & Expeditions

Operators we were unable to interview

Acacia Adventure Holidays
Africa Connection
Airtours
Asian Journeys
Bales Worldwide
Balkan Tours
Carrier
Cedarberg Southern African Travel
Cox & Kings Travel
CV Travel

Footloose
Greentours
Guerba Expeditions
KE Adventure Travel
Kuoni
Naturetrek
Oak Hall
Over The Wall
Page & Moy Holidays
Ramblers Holidays

Regal Holidays
Saga Holidays
Somak Holidays
The Travelling Naturalist
Tracks
Tropical Places
Tucan South America
Union Castle Travel
Voyages Jules Verne
Wildlife Worldwide

Ten actions that tour operators can take now!

Not everything can be done at once, but all operators can start to look at their own operations and determine priority areas for change. Here is a suggested ten-point checklist towards becoming a responsible tourism company.

1   **Establish a clear policy for responsible tourism** and ensure that it covers operations both in the UK and in overseas destinations, right through the supply chain. Ensure that any charitable giving is integrated into the business process and is focused on improving the situation in the destinations.

2   **Appoint a responsible tourism staff member** who will oversee the development and integration of these issues throughout the organisation. Ensure that there is also support for this at board level.

3   **Commit funds to becoming a more responsible operator** in the areas of charitable giving, developing local business partnerships, training and giving advice to clients.

4   **Write down best practice and seek to learn from it,** publicise it to clients and share it with others.

5   **Produce and disseminate a code for tourists** to help them travel in a more informed and responsible way. Include advice on how they can support local charities.

6   **Take time to research destinations** and speak to local development and environment groups and tourism associations, not just to the hotels. Find out which local businesses you could possibly use, and with whom you may be able to develop a partnership. This will enable you to provide better-quality holidays.

7   **Work throughout your supply chain** to develop and implement policies that use local labour, local foods and local crafts. Make your policies available to your suppliers.

8   **Build on health and safety guidelines for hotels** to include social and environmental issues such as labour standards, minimum wage levels and good recycling and waste disposal systems.

9   **Set clear targets for year-on-year improvement** in terms of building partnerships, using local suppliers and improving social and environmental conditions in hotels. Evaluate your activities regularly so that you can learn from them.

10   **Use your annual report** to publicise what you have been doing to promote responsible tourism, and to gain support from your key stakeholders.