

The 'Augeas Stable' Challenge: Combating Tourism-Related Corruption

Papathanassis

Prof. Dr. Alexis



Cruise Management &

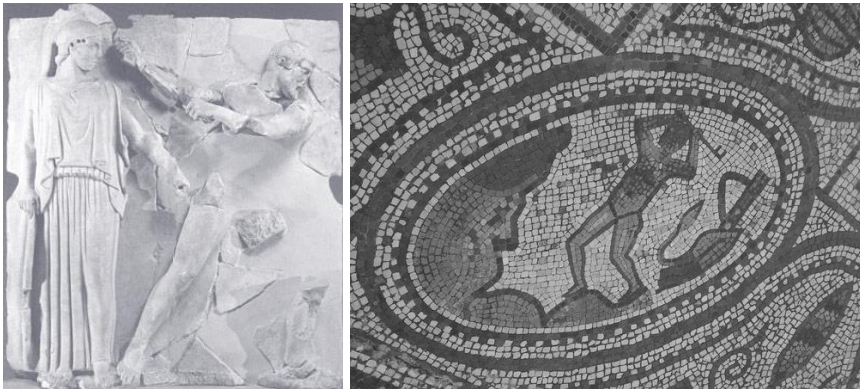
E-Tourism

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GEUC – Constanta (Romania), 8th – 9th of December 2016

Hercules' Fifth Labour... Cleaning the Augean Stables!



<http://images.fineartamerica.com/images-medium-large-5/5th-labor-of-hercules-the-augeian-stables-pierre-salsiccia.jpg>



<https://theaugeanstable.wikispaces.com/>

► The challenge:

- Clean stable with 3000 animals that has not been cleaned in 30 years... In one day!
- Hercules offered to clean the stables in a single day for 1/10 of the Augean king's entire cattle. King agreed to pay Hercules IF he could do it in one day.
- Augean king's son as witness

► The solution:

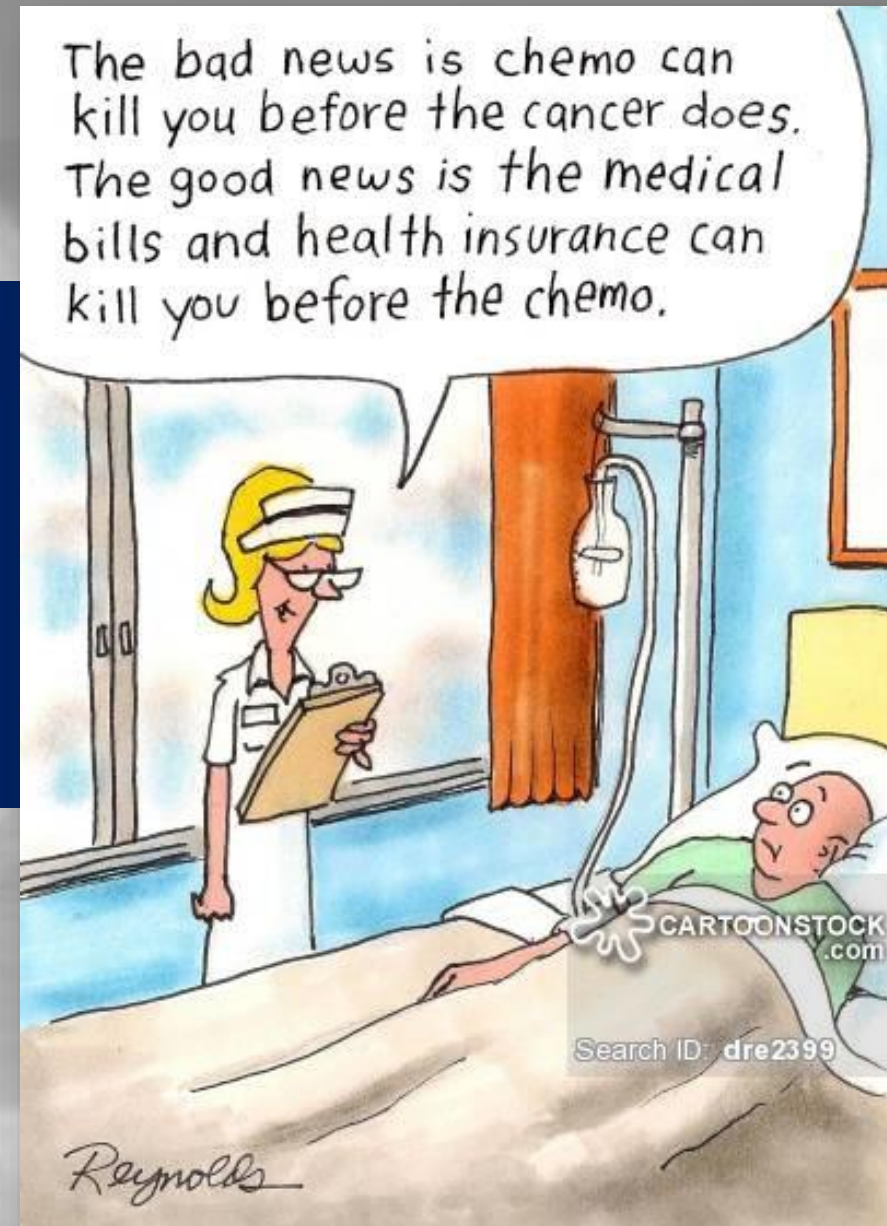
- Hercules tore a big hole in the front of the stable yards.
- Next he made a hole in the back wall of the stable yards.
- Then he dug a trench and diverted 2 rivers into the front of the stable yards and out the rear of the stable, effectively washing out all the filth

► The outcome:

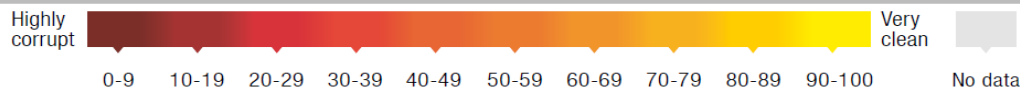
- The Augean king refused to pay saying that if Hercules didn't agree he could always take the Augean King to court.
- Hercules even had the Augean King's son testify that his father did indeed promise to pay Hercules 1/10 of all his cattle. The King reluctantly paid Hercules... But since he was paid, Eurystheus refused to consider this labour as completed

CORRUPTION & TOURISM DEVELOPMENT: THE 'TERMINALLY-CURED PATIENT' ANALOGY

*What level and type of corruption
are appropriate for tourism?*



Transparency International... Corruption Perceptions Index*



CORRUPTION PERCEPTIONS INDEX 2014

RANK	COUNTRY/TERRITORY	SCORE
1	Denmark	92
2	New Zealand	91
3	Finland	89
4	Sweden	87
5	Norway	86
5	Switzerland	86
7	Singapore	84
8	Netherlands	83
9	Luxembourg	82
10	Canada	81
11	Australia	80
12	Germany	79
12	Iceland	79
14	United Kingdom	78
15	Belgium	76
15	Japan	76
17	Barbados	74
17	Hong Kong	74
17	Ireland	74
17	United States	74
21	Chile	73
21	Uruguay	73
23	Austria	72

24	Bahamas	71
25	United Arab Emirates	70
26	Estonia	69
26	France	69
26	Qatar	69
29	Saint Vincent and the Grenadines	67
30	Bhutan	65
31	Botswana	63
31	Cyprus	63
31	Portugal	63
31	Puerto Rico	63
35	Poland	61
35	Taiwan	61
37	Israel	60
37	Spain	60
39	Dominica	58
39	Lithuania	58
39	Slovenia	58
42	Cape Verde	57
43	Korea (South)	55
43	Latvia	55
43	Malta	55
43	Seychelles	55

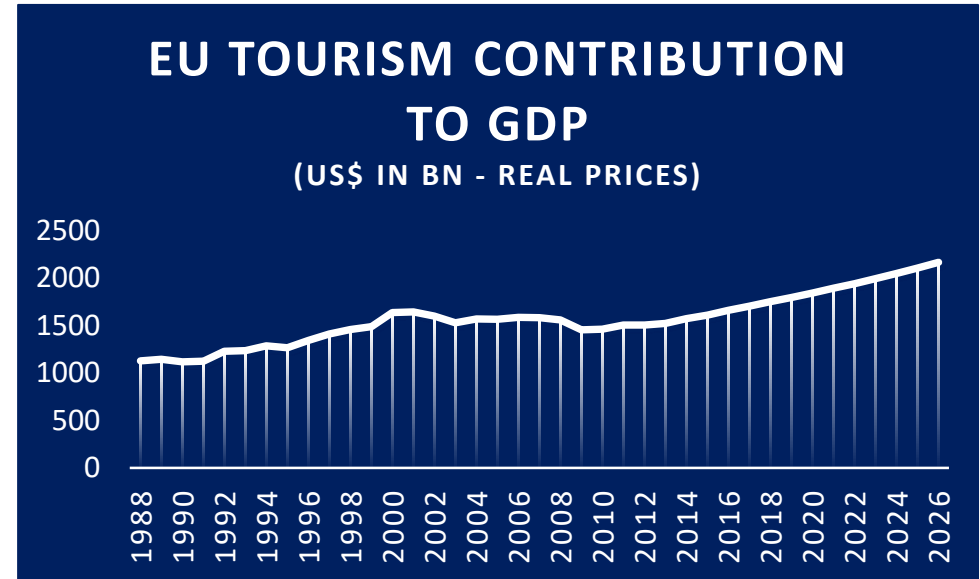
47	Costa Rica	54
47	Hungary	54
47	Mauritius	54
50	Georgia	52
50	Malaysia	52
50	Samoa	52
53	Czech Republic	51
54	Slovakia	50
55	Bahrain	49
55	Jordan	49
55	Lesotho	49
55	Namibia	49
55	Rwanda	49
55	Saudi Arabia	49
61	Croatia	48
61	Ghana	48
63	Cuba	46
64	Oman	45
64	The FYR of Macedonia	45
64	Turkey	45
67	Kuwait	44
67	South Africa	44

69	Brazil	43
69	Bulgaria	43
69	Greece	43
69	Italy	43
69	Romania	43
69	Senegal	43
69	Swaziland	43
76	Montenegro	42
76	Sao Tome and Principe	42
78	Serbia	41
79	Tunisia	40
80	Benin	39
80	Bosnia and Herzegovina	39
80	El Salvador	39
80	Mongolia	39
80	Morocco	39
85	Burkina Faso	38
85	India	38
85	Jamaica	38
85	Peru	38
85	Philippines	38
85	Sri Lanka	38
85	Thailand	38

Base Data: WTTC (2015), Transparency International (2016)

Tourism Development Potential

It Pays to Invest in Tourism!



Every **\$1.00** invested in **tourism** generates
\$8.55 in tourism **income** (tourists' spending)!

'Herculean' Anti-Corruption Measures...

Do they help tourism development?!



ECOCLUB
@ecoclub

Follow

Barcelona's new mayor threatens to fine Airbnb for sheltering unlicensed tax-evading tourist apartments via @Reuters
reut.rs/1K21O5f

12:08 PM - 28 Aug 2015



Barcelona mayor's tourism crackdown puts Airbnb in firing line
Barcelona's new mayor is picking a fight with home rental websites as she tries to crack down on uncontrolled tourism that she fears
reuters.com

BUSINESS NEWS | Tue May 24, 2016 | 12:29pm BST

Greece's VAT tax hike is counterproductive - trade association



By George Georgiopoulos | ATHENS

Increasing value-added tax will reduce state revenues rather than Greece is seeking as it tries to meet fiscal targets agreed with its lenders and medium sized businesses said on Tuesday.

Parliament on Sunday approved raising VAT to 24 from 23 percent from a range of measures Athens hopes will help unlock bailout funds needed to meet its targets.

But the Confederation of Commerce (ESEE) said the sixth VAT hike in a row will increase tax evasion and reduce the state's take, as in previous VAT raises.

"The VAT nightmare is unfortunately continuing," said ESEE head Vasileios...

The tax hike will affect supermarket sales. The ESEE estimates VAT revenue will fall by 100 million euros, less than the 400 million it expects to lose.

Increasing tax on transport, and on services, is struggling to survive, the ESEE said. It also calls for lower rates such as Germany, Bulgaria and Romania with 20 percent.

THE TIMES OF INDIA
BUSINESS



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Demonetisation: Tourism industry knocks at govt doors with bag of woes

Anubhuti Vishnoi ET Bureau | Nov 17, 2016, 10:07 AM IST

✉ 🖨 A- A+

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Greece wants tourists to spy on tax cheats

by Ivana Kottasova @ivanakottasova

March 9, 2015, 1:22 PM ET



ists? Or undercover tax inspectors?

leading to Greece this summer? You might have a secret mission complete.

The Greek government is planning to recruit tourists to spy on tax cheats as it casts around desperately for ways to *stave off* bankruptcy.

The idea to employ large numbers of students, housekeepers and tourists as undercover tax inspectors is one of seven reforms the Greek government has proposed before another round of bailout talks with the troika finance ministers later Monday.

www.findukproperty.com

Ads by Google

Tourism Minister
... may say there's
... his ministry is
... representations
... on the chaos
... demonetisation in
... season.

... ble India slogan is
... of so very
... the foreign tourist is
... end his money,
... a drink, or hire a
... ators, told ET.

International Business Times

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Business Economy

China's Anti-Corruption Measures Drag Down Catering Sector Growth to 21-Year Low

By Jerin Mathew
February 10, 2014 08:50 GMT

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China's Anti-Corruption Measures Drag Down Catering Sector Growth to 21-Year Low (Reuters)

China's catering sector recorded the slowest growth in 21 years, as the government's frugality campaign and its anti-corruption measures cut down spending by officials in luxury restaurants.

IBT VIDEO



London airport expansion war explained

Reimage
Repair@
Windows Update

Gepriesen von PCWorld.
24/7 Support. Versuchen
Sie es heute!

I wonder what was the impact of
Hercules' approach on the
cattle?! Understanding the
corruption phenomenon is about
management vs.
elimination; the cattle vs. the
Augean stable!

Research Methodology and Data Collection

Triangulated Online Content Analysis

Data Collection

Filter Trip Advisor (Online) Reviews to identify Corruption Incidents

Sampling Frame:
<http://www.tripadvisor.com>

Keyword: 'Corruption'

Population: 1.157 online Reviews

Review Selection and Preliminary Coding

Select and open every 3rd review containing the word 'Corruption'

Reject reviews where corruption is used as synonymous to 'alteration'

Preliminary coding: 40 Online Reviews resulted to Corruption Incident Classifications (for the meta-data analysis)

Online Review Meta-Data Analysis

Quantification of 205 reviews in terms of:

- Rating (1-5 Stars),
- Impact (# of Helpful clicks),
- Incident Type Classification
- Holiday Component

Thematic Analysis & Theory Building

Open Coding

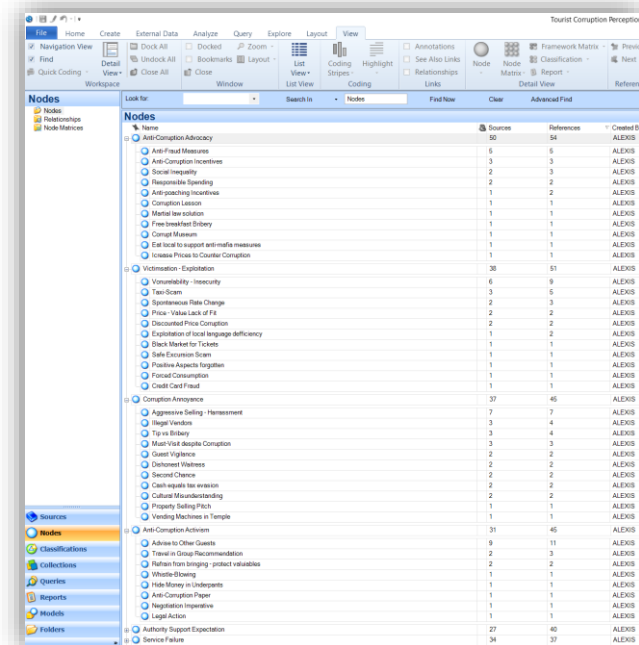
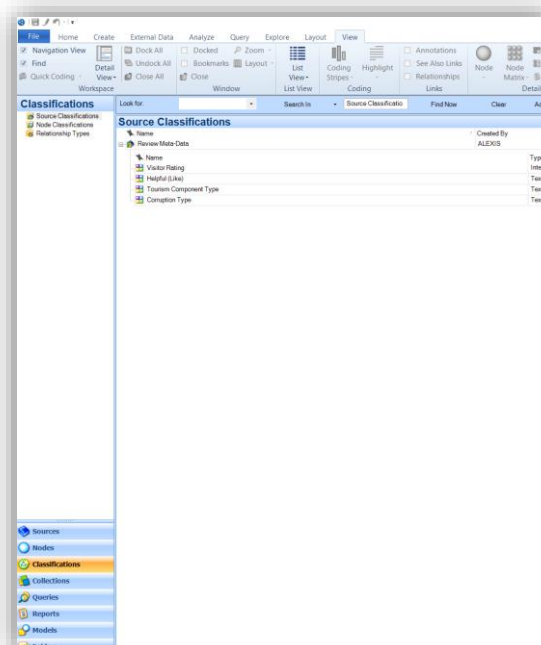
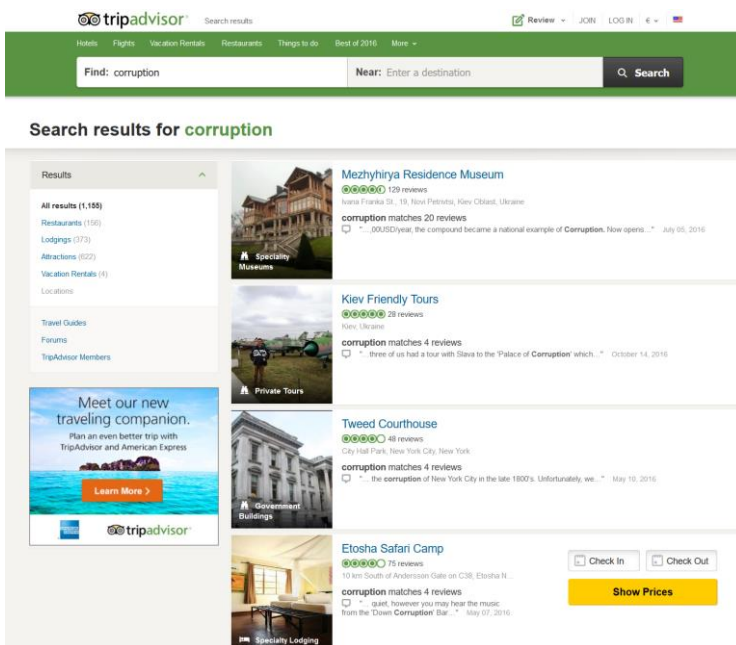
- 428 codes
- 402 references

Axial Coding

- 12 categories

Next Steps:

- Selective Coding
- Theory-Building



ONLINE-REVIEW CONTENT ANALYSIS (META-DATA)

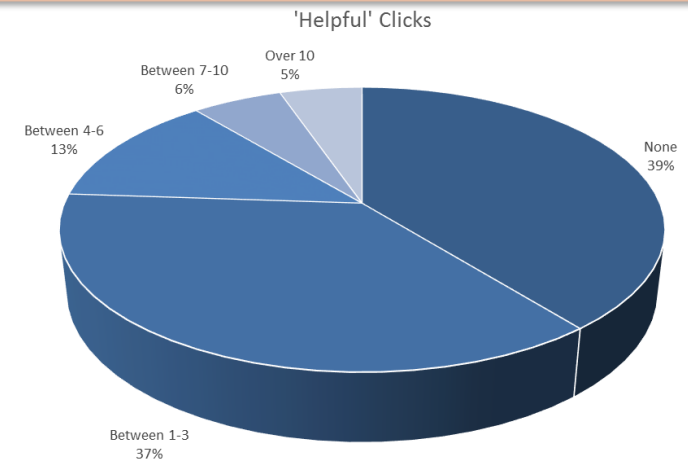
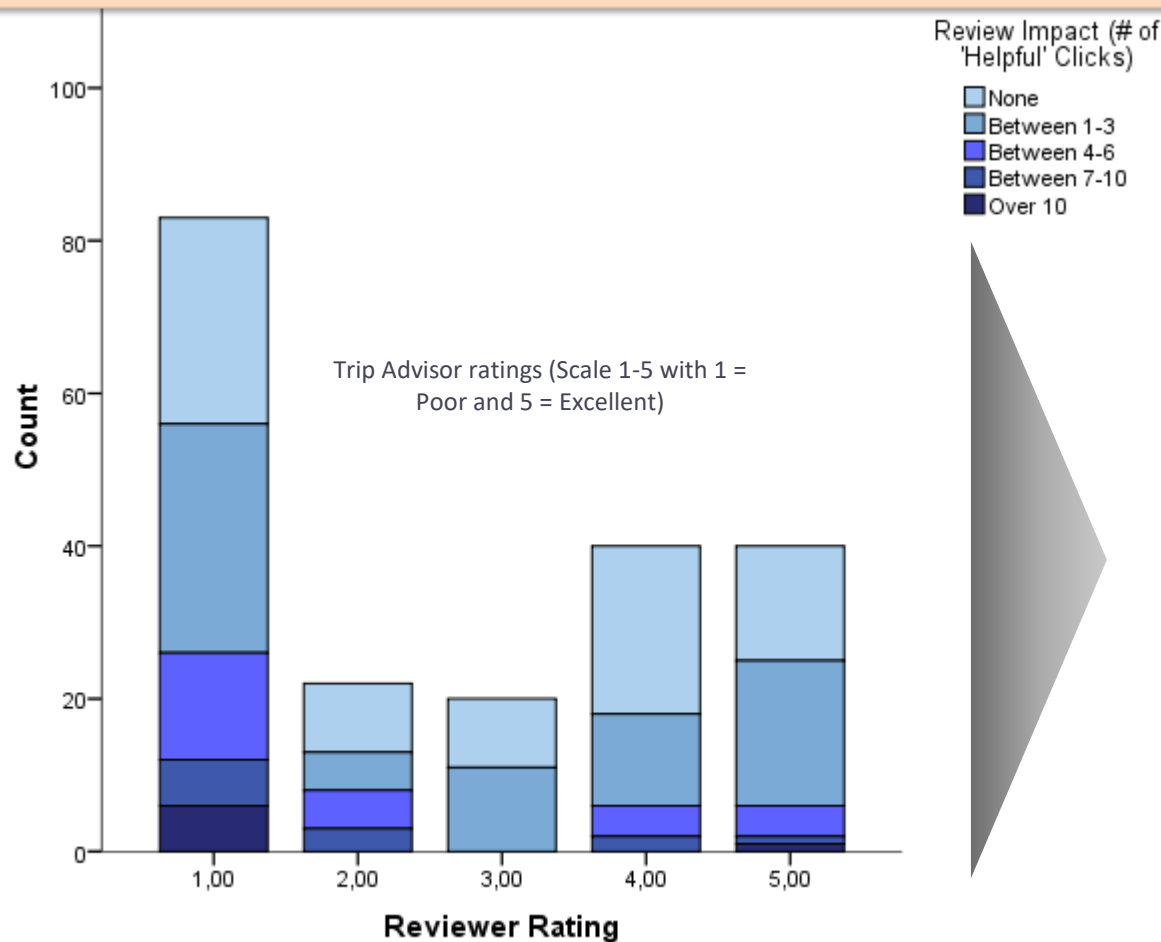
Corruption Impact on Tourists' Perceptions



Meta-Data Analysis Summary

Sample: 205 Reviews

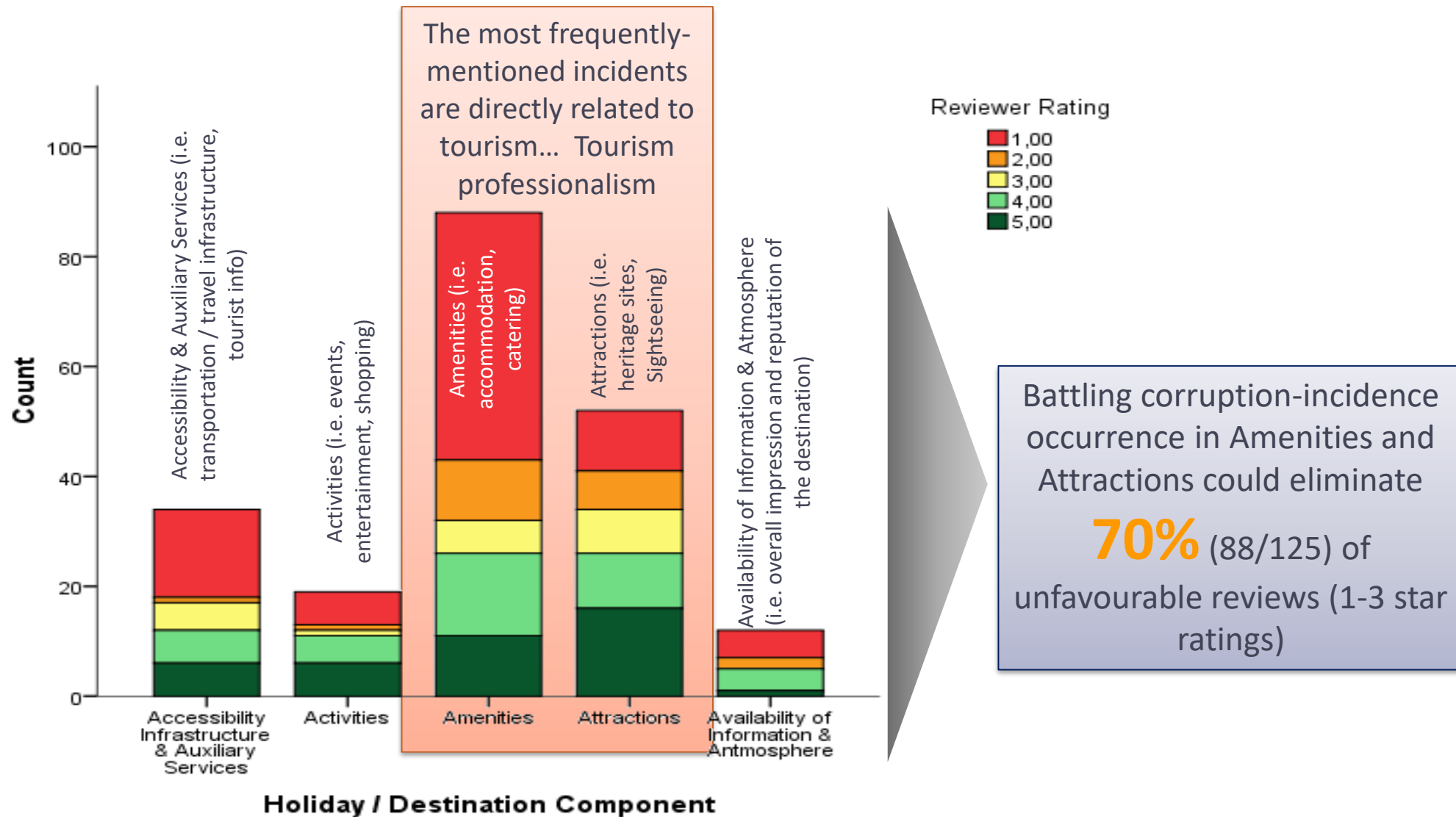
H1: There is a relationship between review-rating (RR) and review-impact (RI): The Pearson correlation test resulted to a value of: -0.136 which was significant at the 0.05 level. Simply stated, the lower the review rating (RR), the higher the review-impact (RI) and vice versa.



Highly negative and highly positive ratings have the highest impact on review readers. On average each review impacts **1 to 3 review readers**

Meta-Data Analysis Summary

Sample: 205 Reviews



Meta-Data Analysis Summary

Sample: 205 Reviews

Health & Safety Regulations:
Incidents where low health
and safety standards are
attributed to corruption of
control authorities

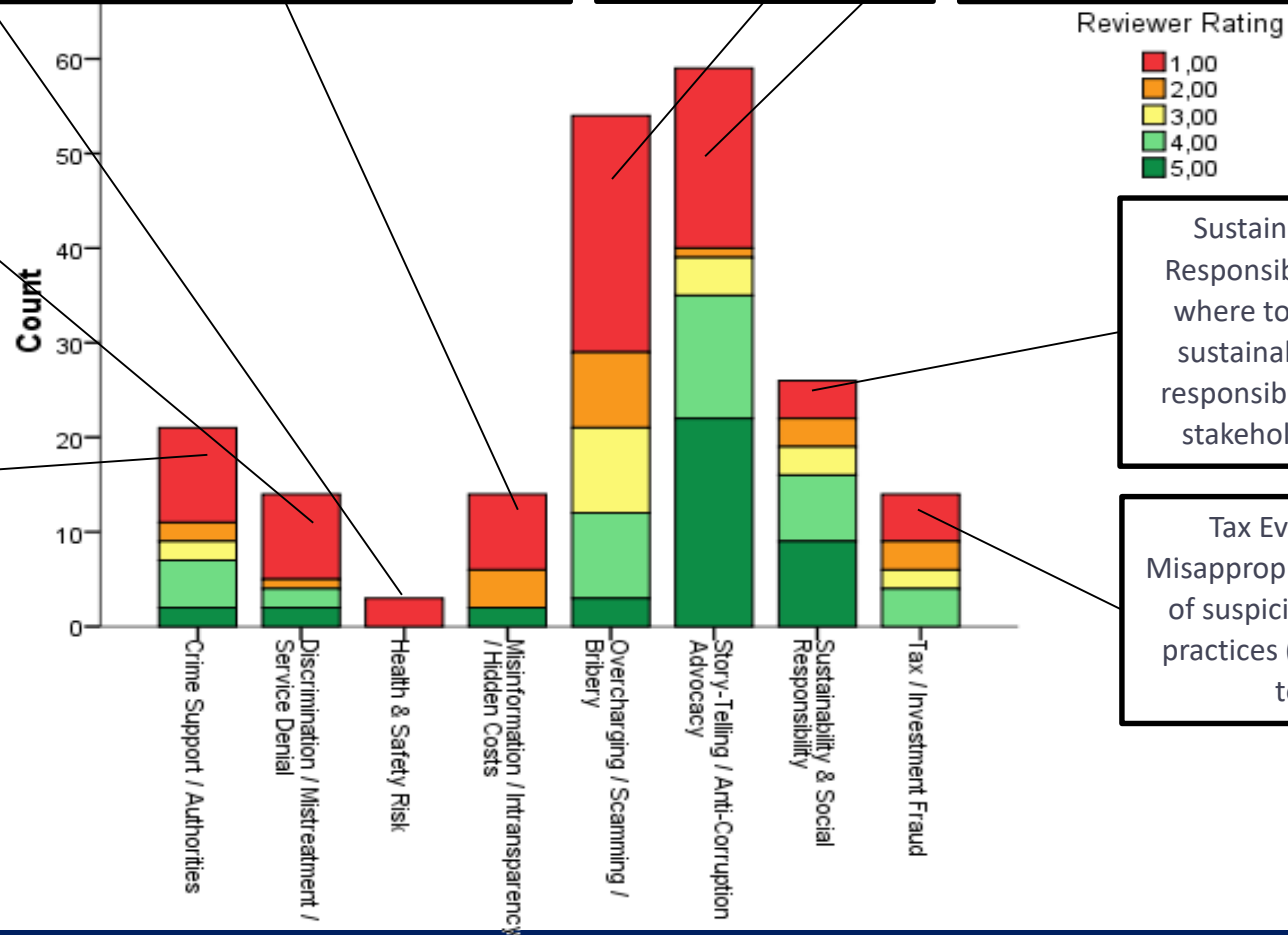
Misinformation / Intransparency /
Hidden Costs: Incidents involving
tourists being confronted with
expectation failure and unforeseen costs

Overcharging /
Scamming / Bribery:
Financial fraud aiming
at tourists

Story-Telling / Anti-Corruption Advocacy:
Incidents of corruption story-telling, re-
collection and proposal of potential
measures

Discrimination /
Mistreatment / Service
Denial: Preferential
mistreatment of tourists in
terms of service levels and
pricing

Crime Support / Authorities:
Incidents where tourists
were crime-victims, seeking
support from authorities
(private and public)



Sustainability / Social
Responsibility: Situations
where tourists associate
sustainability and social
responsibility failures with
stakeholder corruption

Tax Evasion / Fund
Misappropriation: Incidents
of suspicious transaction
practices (as perceived by
tourists)

Does Type of Corruption-Incident Make a Difference?

H2: There is a relationship between corruption-incident-classification (CIC) and review-rating (RR):

- The main question here is whether particular types of corruption incidents are related to less- or more- favourable ratings.
- An ANOVA test was conducted, indicating a significant RR difference between the CIC groups ($\alpha = 0.031 < 0,05$).

The type of incident significantly affects tourists' online ratings

Guest Satisfaction

H3: There is a significant review-impact (RI) difference between corruption-incident-classifications (CIC):

- The main question here is whether particular types of corruption incidents are related to reviews been perceived as more- or less helpful.
- The ANOVA test here revealed no significant RR difference between the CIC groups ($\alpha = 0.359 > 0,05$).

... But does not appear to affect whether others find the review useful or not

Reputation

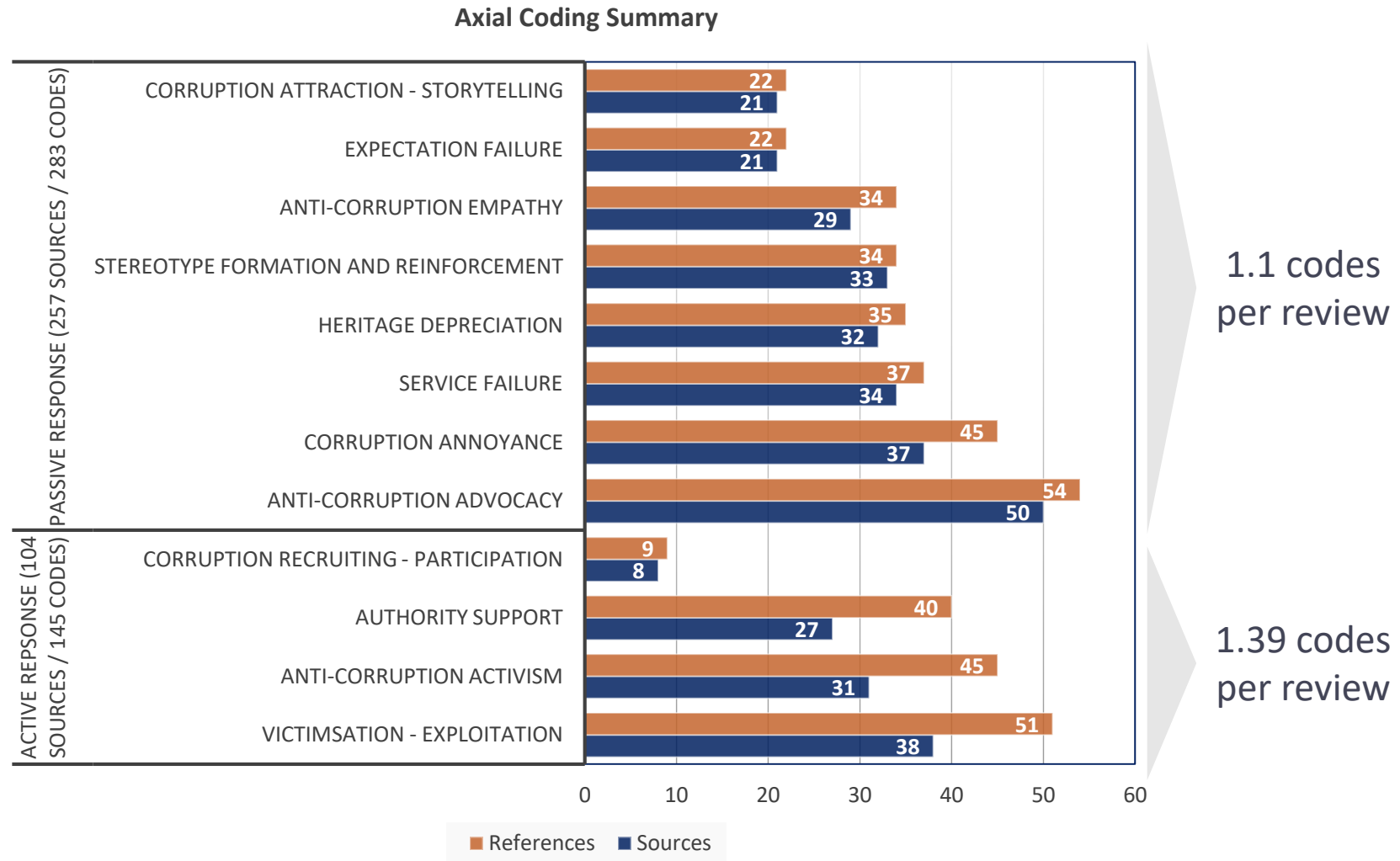
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Tourism Professionalism
may not eliminate corruption... But it
limits its **negative impacts** on
guests' overall **holiday**
satisfaction!

ONLINE-REVIEW CONTENT ANALYSIS (META-DATA)

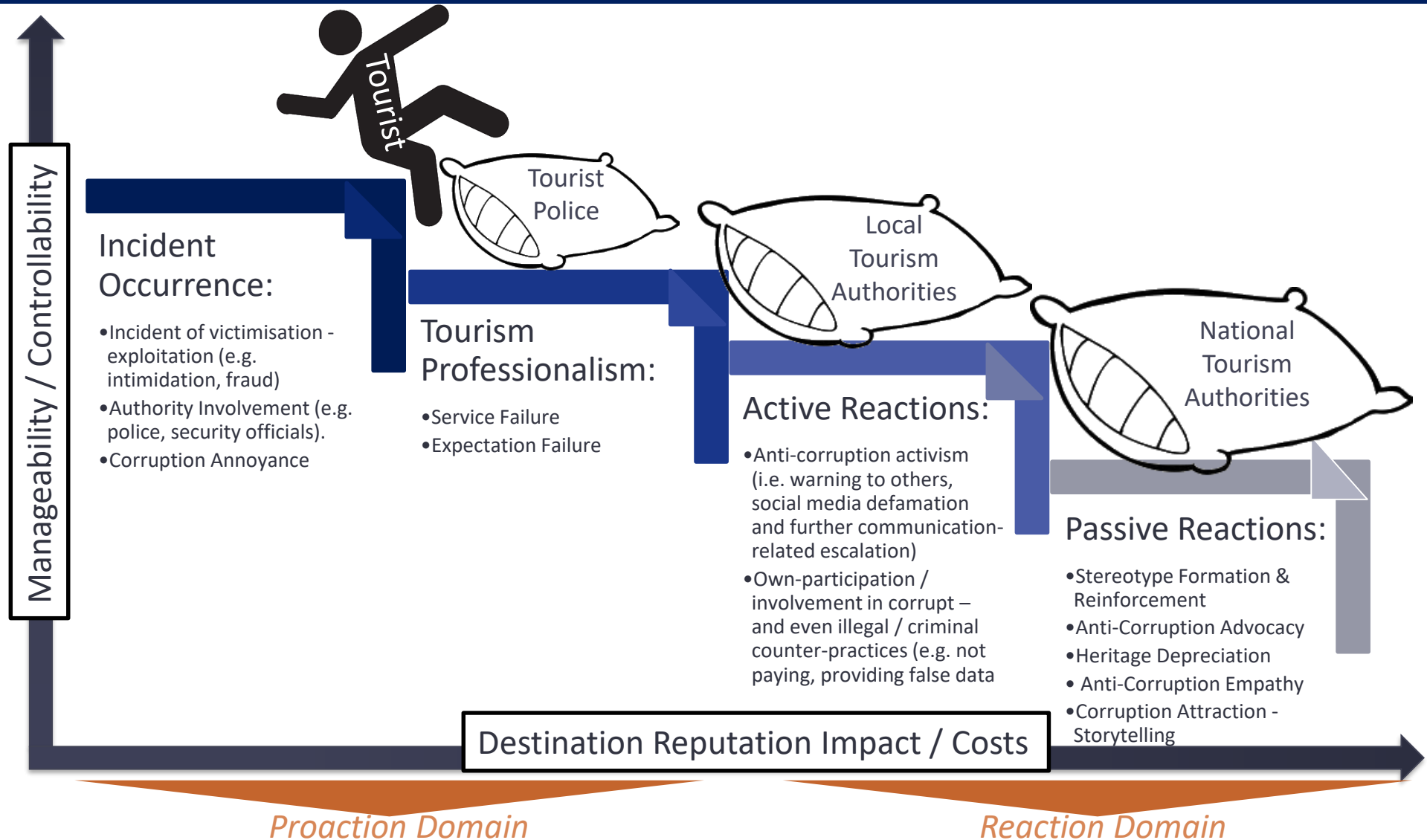
Corruption Impact on Tourists' Perceptions

Preliminary Thematic Analysis (Summary)



Thematic Synthesis

The 'Tourism-Corruption Staircase'

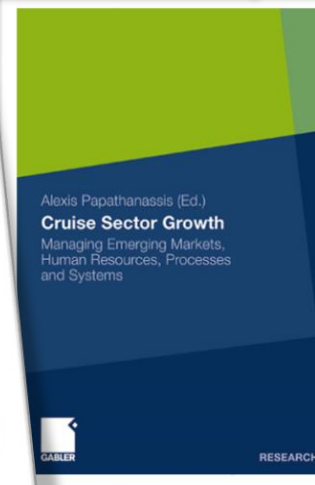
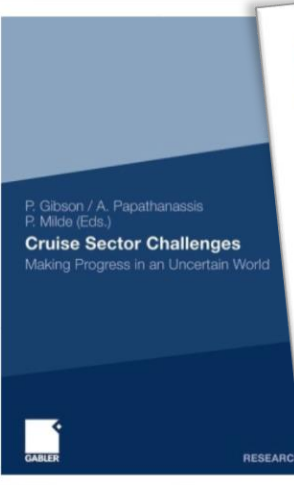
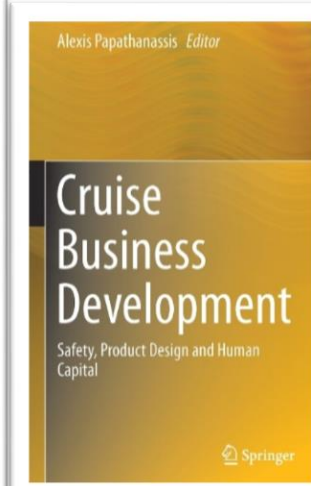
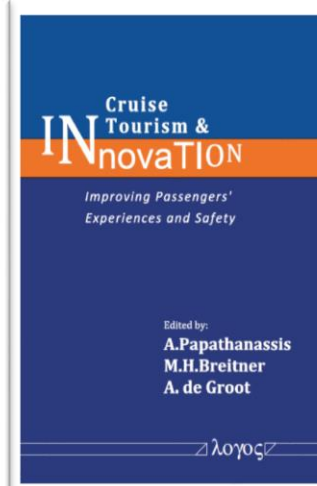
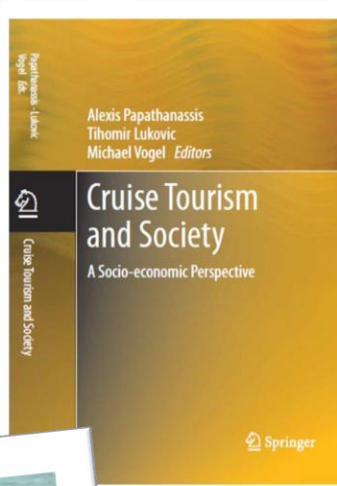
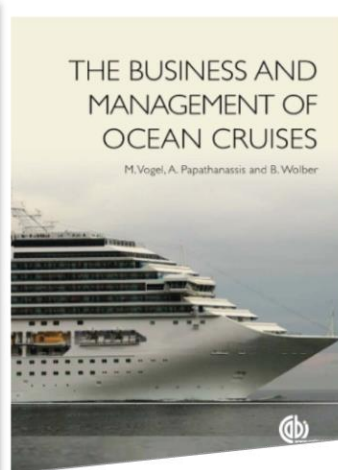
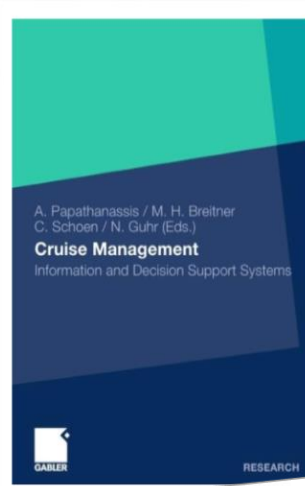
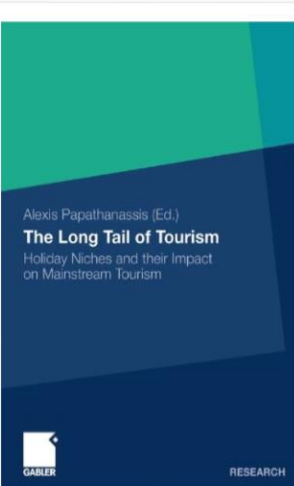


There is **no part of the world**
where **corruption** is absolutely
eliminated.

Olusegun Obasanjo *

Corruption is like a **ball of snow**,
once it's set a rolling it must increase.

Charles Caleb Colton **



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► Research Functions:

- Founder & Chairman of the **Cruise Research Society**
(<http://www.cruiseresearchsociety.com>)
- Co-Director of the **Institute for Maritime Tourism (IMT)**
(<http://www.imt.hs-bremerhaven.de/>)

► Administrative Functions:

- Dean – Faculty of Management and Information Systems
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- Chairman of the CTM Examinations Committee
- Member of the CTM Study Affairs Committee