



Institut für
Maritimen
Tourismus

(Mis)Understanding Overtourism and the Cruise Business 'Open Source Tourism' and the 'Mozilla Firefox Haircut'



Prof. Dr. Dr. Alexis Papathanassis

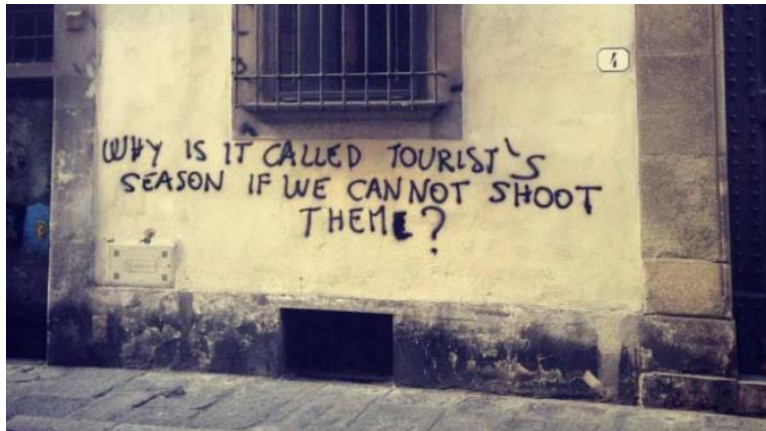
1st Business Deck Hamburg Cruise Days
Hamburg (Germany) – 13th September 2019



Cruise Research Society

A Simple Question...

When does 'Tourism' become 'Overtourism'?



Happy Tourists, Unhappy Locals

Okulicz-Kozaryn, Adam & Strzelecka, Marianna. (2017). Happy Tourists, Unhappy Locals. Social Indicators Research 234(2), 789-804. Retrieved from doi:10.7282/T3DN476G.

Abstract

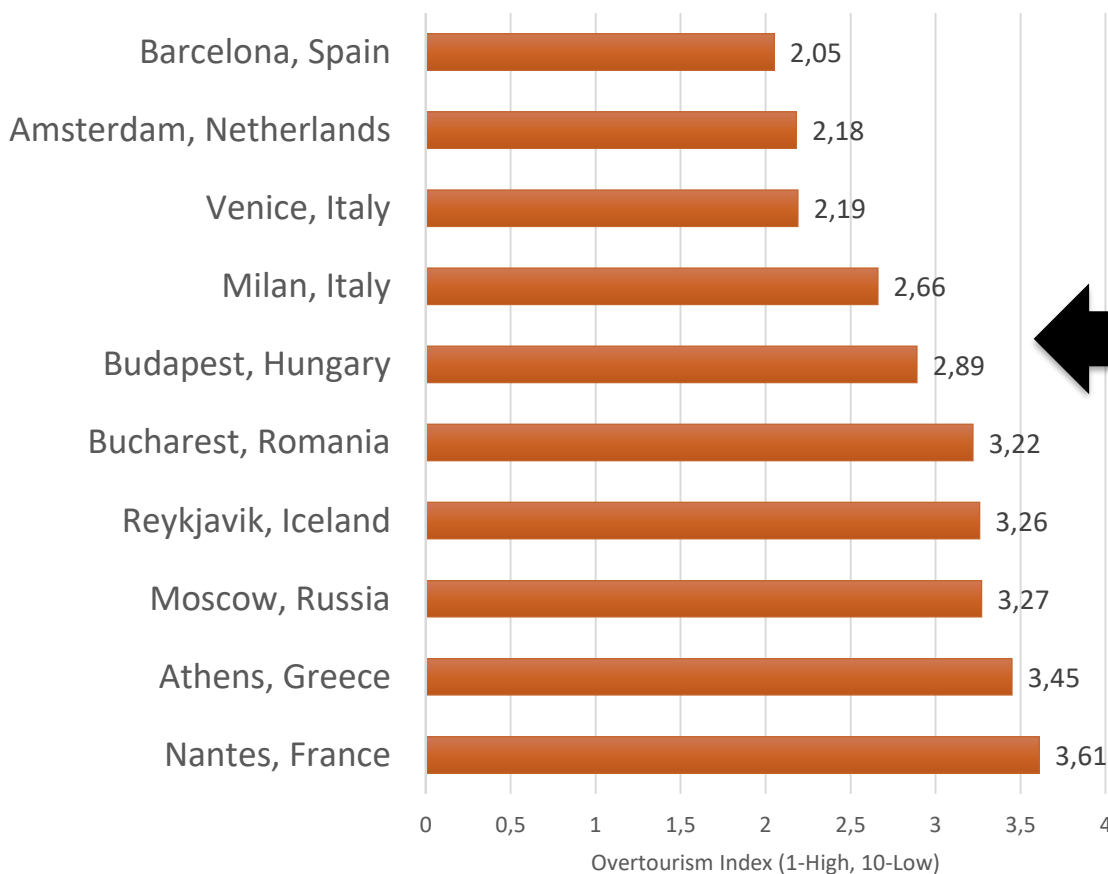
The most recent of literature focuses more often on the happiness of tourists, rather than the happiness of residents affected by tourism. However, this study aims at filling this gap with a new and refreshing perspective. This is carried out by using the European Social Survey (2010-2012) merged with Eurostat tourism data at the province (NUTS2) level. Staying consistent with homophily or ingroup preference theories, we find that domestic tourists contribute more to the happiness of locals than foreign tourists. Also by staying consistent with Irridex theory, we find that tourism at low levels of development contributes more to happiness than tourism at a high level of development.

Overtourism Index – Top 10*

Congestion & Control Model

Destination Capacity < Tourism Volume = Decreasing Quality of Life = Anti-Tourism Sentiment

Overtourism Index 2017*



Destination
Carrying
Capacity

Tourist Arrivals

Resident Perceptions
(Survey 1000 respondents
in each city)

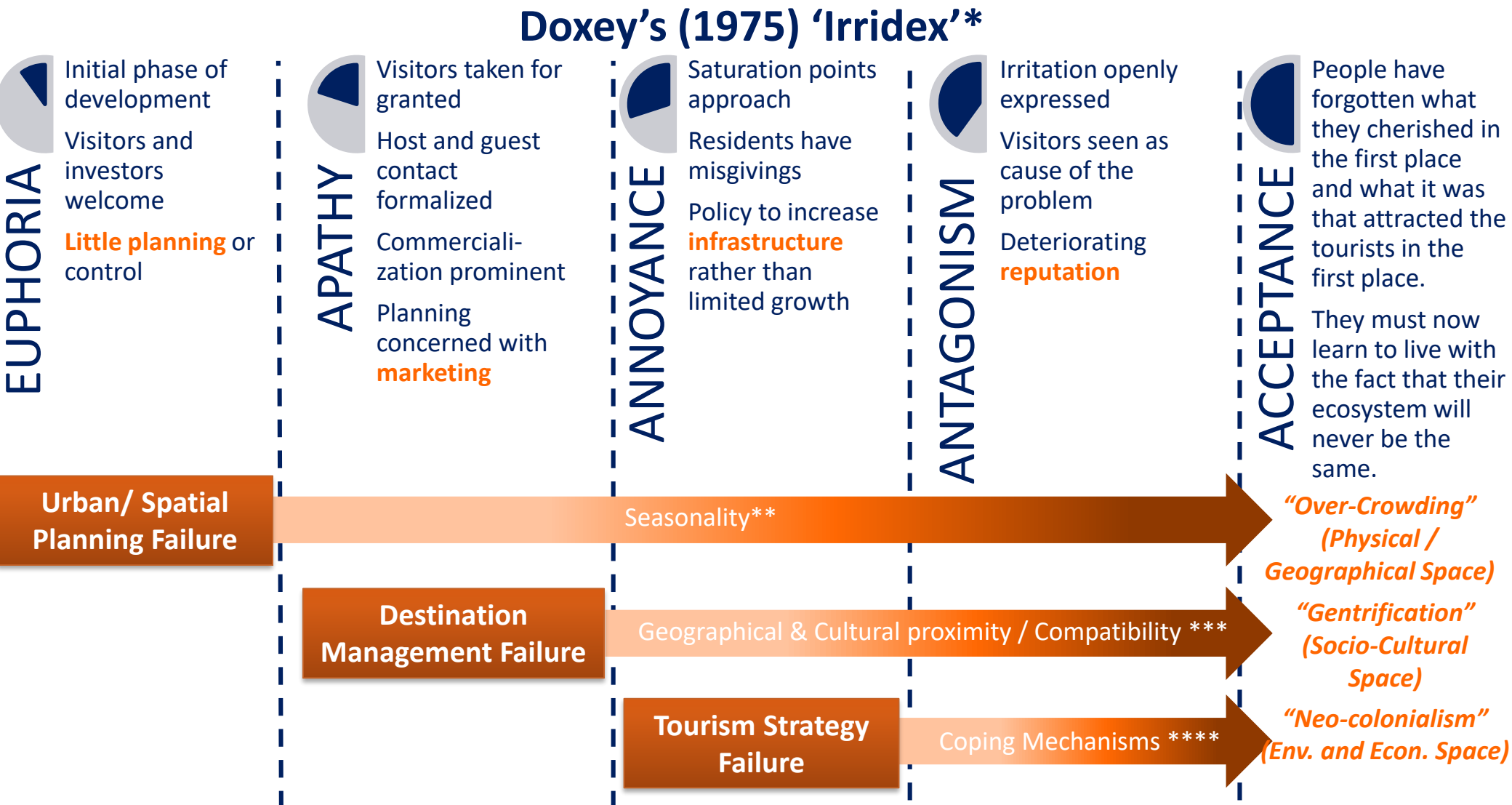
Tourist Ratio (Tourist vs
Residents at peak season)

Accommodation Capacity
(# of licenced hotel beds +
Peer2peer beds per KM2)

Top 500 destinations
(based on UNWTO
data)

Overtourism has been a concern since the mid-70s!

Evolution of Tourism-related Sentiment and Overtourism Dimensions



* Doxey, G.V. (1975) A causation theory of visitor-resident irritants: Methodology and research inferences. In Travel and Tourism Research Associations Sixth Annual Conference Proceedings (pp. 195–98).

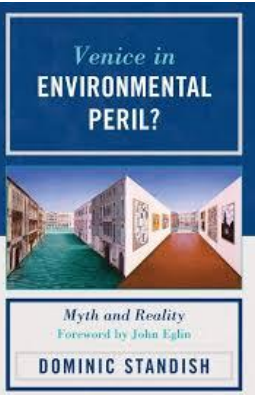
** Faulkner, B & Tideswell, C 1997, 'A framework for monitoring community impacts of tourism', *Journal of Sustainable Tourism*, vol. 5, no. 1, pp. 3-28

*** Harrill, R. (2004). "Residents' Attitudes Toward Tourism Development: A Literature Review with Implications for Tourism Planning", *Journal of Planning Literature*. 18(3): 251-266.

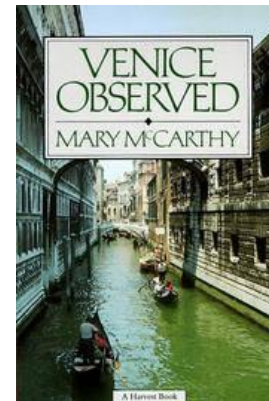
**** Ap. J. and J. Crompton (1993). "Residents' Strategies for Responding to Tourism Impacts", *Journal of Travel Research*. 32(1): 47-50.

The terms “overtourism” and “tourismphobia” became the **buzzwords** of 2017 and have since evolved from what could be viewed as a **sensationalist** and oversimplified media narrative criticising the impacts of tourism not always objectively addressing the **real drivers** of the phenomenon

(Milano et al, 2019)



“The ancient Venetians courageously intervened to curb environmental hazards. By contrast, today’s discussion of Venice... and claims about the sinking, rising sea levels, and the destructive impact of tourism, present Venice as a city in peril...”
(Standish, D. 2012 – Venice in Environmental Peril? Myth and Reality - p.1)



“There is no use pretending that the tourist Venice is not the real Venice,”
(McCarthy, M. 1956 - Venice Observed)

Now lets take a closer look...

The Carrying Capacity Metrics do not tell us the full story!

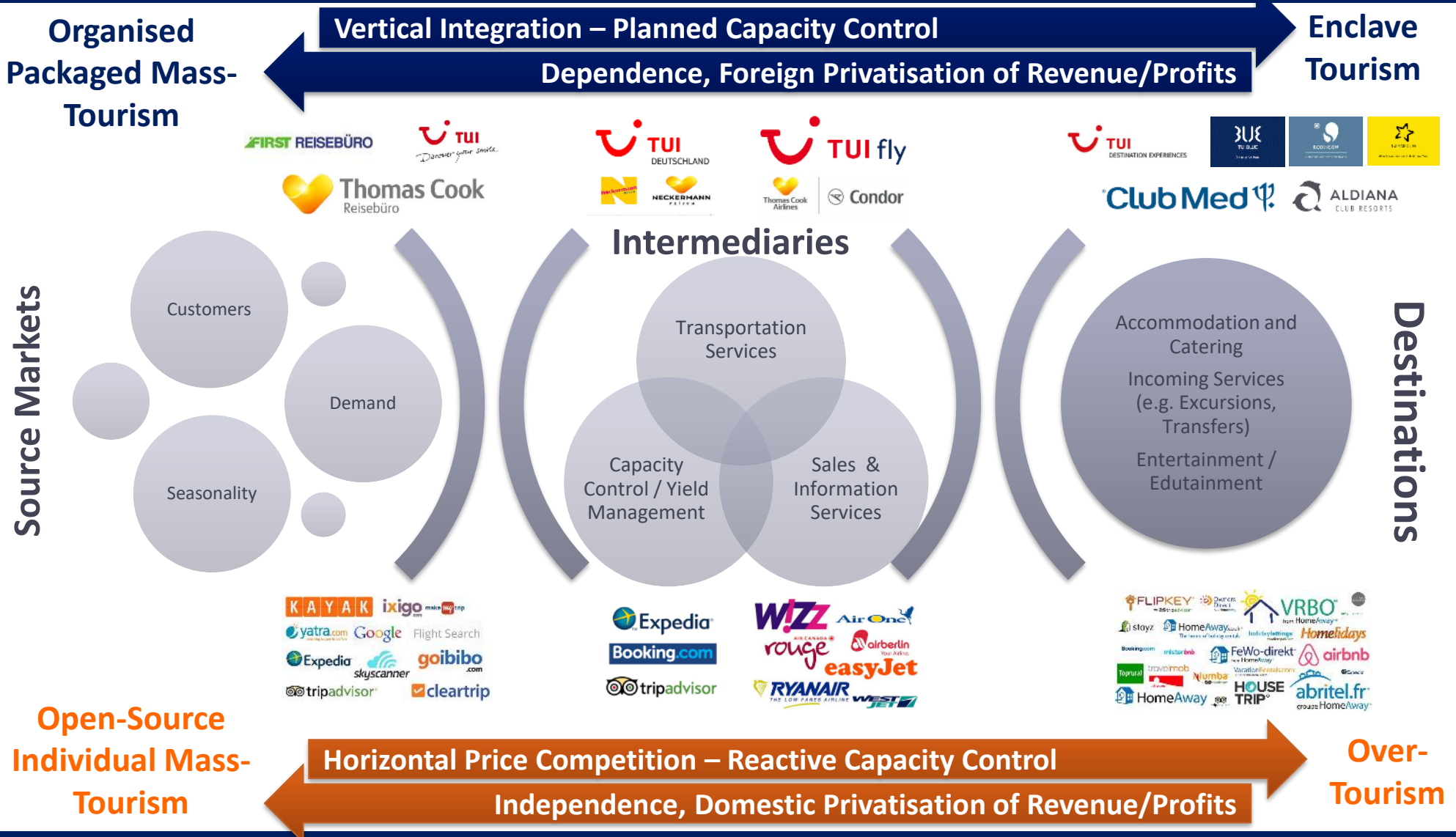
	Region (Bed nights per 1,000 Inhabitants)*	Country (Bed nights per 1,000 Inhabitants)*	Region (Bed Nights per KM2)**	Country (Bed Nights per KM2)**	Av. Bedroom Occupancy
Venice (Italy)	13,837	6,460	3,437	1,333	56.5%
Catalonia (Spain)	10,209	9,090	2,253	899	63.4%
N.Holland / Amsterdam (NL)	9,260	6,126	6,260	2,492	76.1%

	Region (Bed nights per 1,000 Inhabitants)*	Country (Bed nights per 1,000 Inhabitants)*	Region (Bed Nights per KM2)**	Country (Bed Nights per KM2)**	Av. Bedroom Occupancy
South Aegean Islands (Greece)	69,776	9,082	4,463	771	58.5%
Balearic Islands (Spain)	57,992	9,090	14,007	899	78.1%
Bolzano (Italy)	56,777	6,460	4,233	1,333	64.5%
Canary Islands (Spain)	44,219	9,090	13,791	899	81.2%

European Average is 5,200 Bed-Nights / 1,000 Inhabitants and 592 Bed-Nights per KM2

The Emergence of Open-Source-Tourism!

From 'Holiday Cartels' to 'Open Source Tourism'

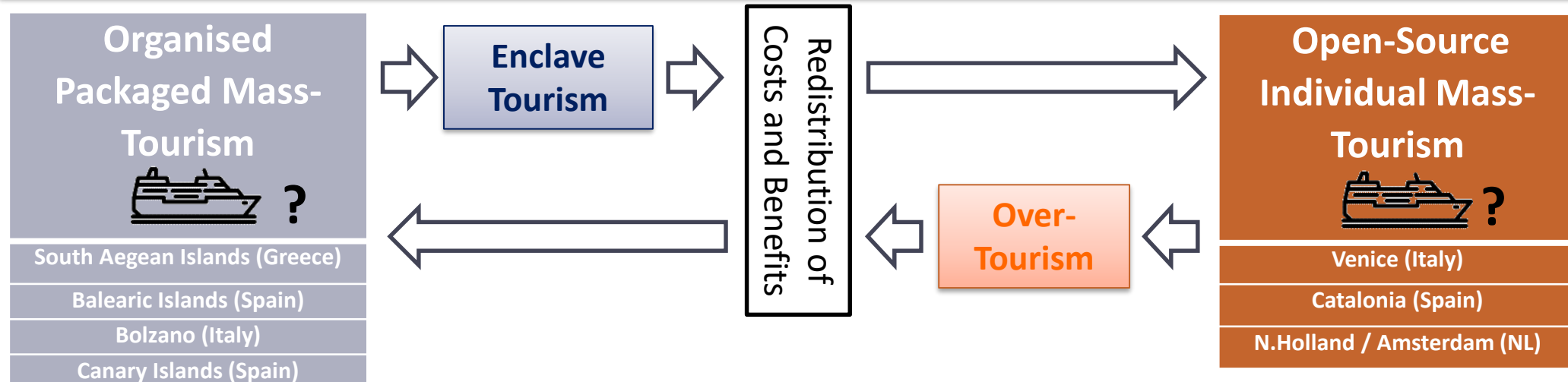


Following the Bank Crisis... The 'Tourism Crisis'

Privatising Profits, Communising the Costs

'Tourism is, at some level, a natural resource. Is tourism driving benefits for the many and not just the few?'

*Chris Lehane, Airbnb**



- ▶ Are tour / cruise operators and travel portals responsible for managing tourism at the destinations?
- ▶ Destination Management and the Public Sector:
 - National vs. Local Objectives
 - Politically-Driven / 4-Year Planning Scope
 - Scientific Tourism Competence / Tourism Education (beyond Vocational Training)

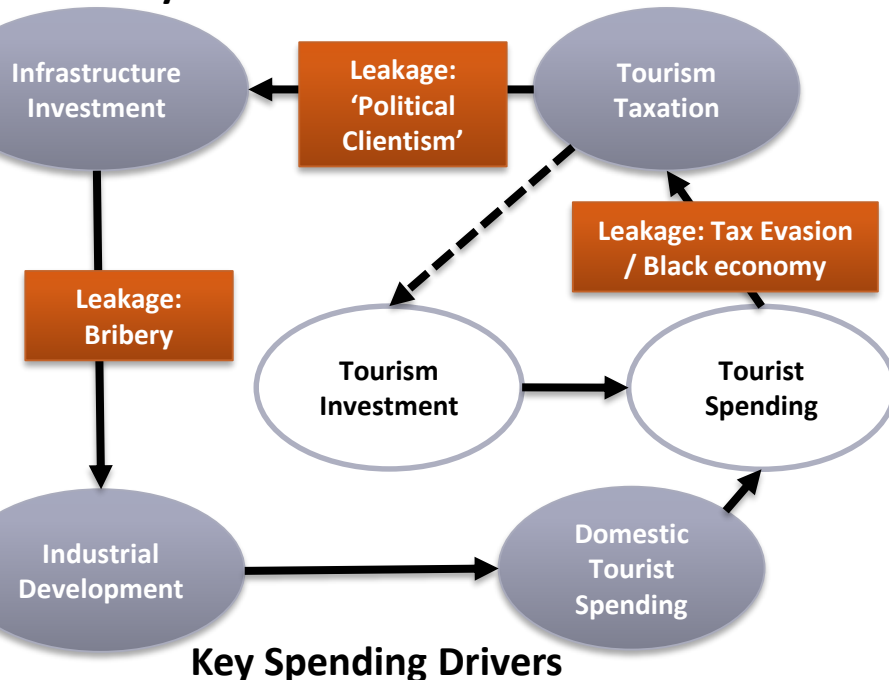
'Beach Disease' and Systemic Corruption

Tourism Income 'Leakages'

'Beach Disease':

Despite the potential and resilience of tourism-led economic development, expected benefits often fail to materialise and there is variability in the tourism competitiveness

Key Governance Instruments



Tourist wealth expectations?

'Tourism Performance and Corruption' Hypothesis Testing

		Tourism Contribution to GDP	Domestic Tourism Spending	International Tourism Spending
Corruption Perception Index Score	Pearson Correlation	,207*	,225*	,217*
	Sig. (2-tailed)	,031	,019	,023
	N	109	109	109

**. Correlation is significant at the 0.01 level (2-tailed).

*. Correlation is significant at the 0.05 level (2-tailed).

Tourist wealth distribution?

Social Inequality → Anti-Tourism Sentiment → Press and Political Opportunism (Populism)

Over-Tourism and Anti-Tourism Sentiments Explained...

An Expression of Multi-Level Failure Aggregation!



“Instead of promoting the destination, the time has come to **manage** the destination. The first step is to **make choices**... Tourism has always been a **goal** in itself and the most important driver was the **economic added value** it offered.”

(NBTC / NL Tourist Board (2019))

Open Source Tourism: The Big Questions...

To What Extent is the Public Sector capable of Managing Tourism?

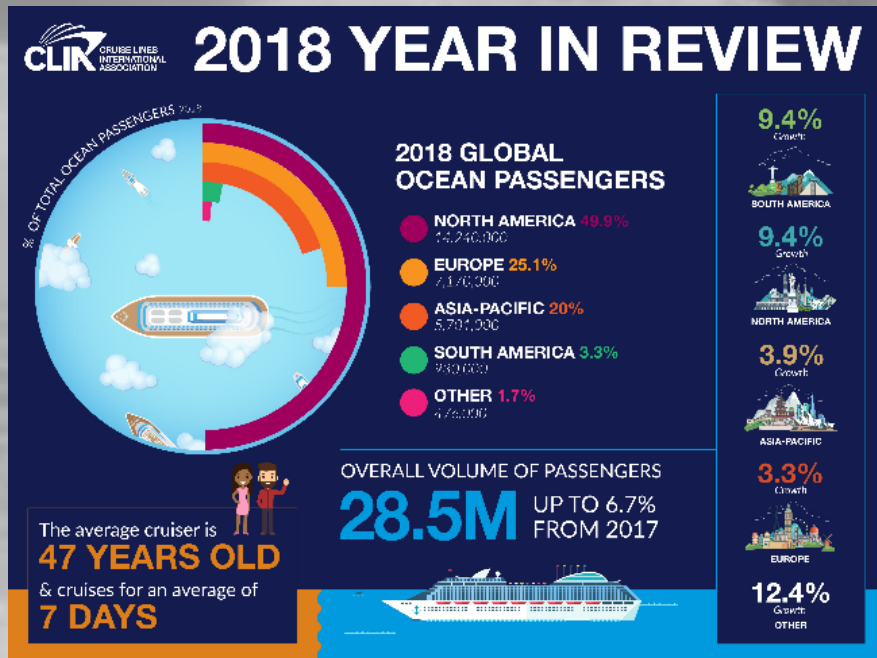
‘Overtourism’ is not a tourist numbers issue; it is a tourism value issue... And this has always been a challenge!

- ▶ Are we misinterpreting localised (geographically and seasonally) overcrowding as a widespread ‘overtourism’ crisis?
- ▶ Are tour operators, cruise operators and travel portals the ones responsible for managing tourism at the destinations?
- ▶ To What extent is the public sector capable of managing tourism?

Tourism has increased and has gone ‘open source’. Just like with software, the solution to bugs and hackers does not lie on owning or limiting the source code; it lies on better programming.

CRUISES AND OVERTOURISM

Uncontrolled growth or being at the wrong place, at the wrong time?



10.09.2019 | 15:08 Uhr

Cover-Check: "Der Spiegel" stellt eine neue Kiosk-Jahresbestleistung mit dem "Wahnsinn Kreuzfahrt" auf



The 'Mozilla Firefox Haircut' Effect...

Center Stage Presence, Overstated Growth Imagery and Dated CSR Narrative



Cruise tourism is the overstated poster-child of tourism growth:

- Expressed mainly in passenger numbers and growth percentages, the cruise sector promotes and celebrates its growth, but fails to meet the expectations it feeds

Mega-ships are eye-catching and enjoy the center-stage:

- Dominating port skylines, imposing structures, mega-cruise ships do not only serve as marketing tools, but also as visual symbols of mass-tourism

Reactive and Defensive PR in the light of CSR and Public Criticism lacks Credibility:

- Greenwashing and denial do not work in today's digital connected world.
- Ignoring critics and avoiding to address (or at least admit to) the issues raised (e.g. environmental-impacts, pollution / emissions, working conditions on board, tax-avoidance) intensifies public discontent.

Time to see things in perspective...

Cruise growth and its effects are comparatively small!

Global Capacity	2017	Number of Units	Cruise Fleet / Sector as a % of...	Data Source
	Cruiseships	369		
	Airplanes	24,400	1.51%	Statista (2018a)
	Merchant Ships	52,000	0.71%	Statista (2018b)
	Hotels	184,449	0.20%	STR (2018)
Global Economic Contribution	2017	Direct Contribution (mil USD)		
	Cruise Sector	\$61,020,000		CLIA (2018)
	Tourism Sector	\$2,036,000,000	3.00%	WTTC (2017)
	2017	Employment (Jobs /FTEs)		
	Cruise Sector	1,100,000		CLIA (2018)
	Tourism Sector	118,454,000	0.93%	WTTC (2017)
	2017	Direct Contribution per Arrival / Port Visit		
	Cruise Sector	\$445.82		CLIA (2018)
	Tourism Sector	\$1.538.93	28.97%	WTTC (2017)

‘If you were to close the cruise industry tomorrow, it would make zero difference to overtourism issues.’
(David Dingle, Carnival U.K.**)

"The cruise industry goes to about 1,000 places. The vast majority want more tourists from us, not less."
(Adam Goldstein, vice chairman of Royal Caribbean Cruises Ltd)**

“Venice alone attracts 24 million tourists annually, nearly the same number of people the entire cruise industry carried in 2017. So I mean we are quite small”

(Carnival Corp. CEO Arnold Donald)

CLIA Sustainability Infographics vs. Press Reports:

Dealing with the Criticisms vs. Solving the Problems!

Carnival Cruise Line earns its worst-ever CDC inspection score with the Fantasy ship



Canada British Columbia

Cruise Ships Dump 1 Billion Litres Of Sewage Into BC Waters Every Year Causing Dead Zones

Impacts include suffocating sea creatures, aquatic life dead zones, and more

TRAVEL

Crime wave: Gang rape among hidden cruise horrors

12 Aug, 2019 7:00am

7 minutes to read

Forbes

Business International Lifestyle Home Science Small Business

12:00 AM - 1 Aug 20 20% 05:40m

Call For Caribbean Destinations To Unite Against 'Predatory' Cruise Lines

TRAVEL August 26 1 pm 7 August 24

10 minutes to read

Cruise ship passengers spending less than first reported

A new study finds each spends under \$62 in Maine, down from a previous estimate of \$110.



Kreuzfahrt-Touristen werden immer umweltbewusster.

WWW.LAHS.DE

BUSINESS INSIDER INTERNATIONAL

Carnival got hit with a \$20 million fine after dumping garbage into the ocean, but it's not the only cruise line guilty of trashing the sea, an expert says

BI Mark Matusz, Business Insider 15.08.2019, 21.06

Forbes

Ship Isn't The Only Thing That Stinks A Carnival: Low Tax Rate Stirs Ire

Carnival cruise ships more polluting than all of Europe's cars

Company operates seven of the 20 most polluting cruise ship lines, finds report

New Times

Miami's Cruise Industry Gave \$23,500 to Senator Who Stopped New Cruise Tax

The air quality on cruise ships is so bad, it could harm your health, undercover report says

The cruise industry **exceeds** international regulations by not discharging untreated sewage into the oceans during normal operations.*

*To save businesses where the most stringent industry policies cannot be achieved, discharges must adhere to the less stringent international regulations.

The cruise industry **recycles 60% more** waste per person than the average person does on land in the U.S.

The cruise industry will **reduce its fleet-wide rate of CO2 emissions by 40% by 2030***

*Based on 2020 levels.

The cruise industry **partners with world class organizations** like The Nature Conservancy, UNICEF, World Wildlife Fund, UNESCO, US Wildlife Trafficking Alliance and others to **ensure the health of the oceans** and communities we visit.

The cruise industry is building reefs, collecting critical ocean data, restoring fisheries and helping **develop best practices** for coastal communities.

The cruise industry continues to make a **positive impact on communities around the globe** by sustaining 1,108,676 jobs equaling \$45.6 billion in wages and salaries and \$134 billion total output worldwide in 2017.

93% of the cruise industry has **eliminated plastic drinking straws** or only provides them on demand. Many of have vowed to dramatically reduce or eliminate single use plastics too.

CLIA CRUISE LINES INTERNATIONAL ASSOCIATION
www.cruising.org

The Cruise industry will reduce its fleet-wide emissions by 40% by 2030”... Anyway, since we are building new ships!

The higher the Passenger Capacity, the higher the Air Pollution Reduction Score

(i.e. correlation significant at the 0.01 level)

The higher the Passenger Capacity, the higher the FoE Total Score

(i.e. correlation significant at the 0.05 level)

	Passenger Capacity	Sewage Treatment	Air Pollution	Total FoE Score
Passenger Capacity				
Correlation Coefficient	1,000	,143	,227**	,194*
Sig. (2-tailed)	.	,062	,003	,011
N	171	171	171	171
Sewage Treatment				
Correlation Coefficient	,143	1,000	,184*	,831**
Sig. (2-tailed)	,062	.	,016	,000
N	171	171	171	171
Air Pollution				
Correlation Coefficient			1,000	,677**
Sig. (2-tailed)			.	,000
N			171	171

FoE Grading System correlated with stated criteria

(i.e. correlation significant at the 0.05 level)

Tech-advancement vs. life-span of cruise vessels is the key!

Which way forward?

In one word... Aufrichtigkeit!

► Narrative coherence

- E.g. “The industry is too small to make a difference in overtourism” vs. “We go to over 100 places and most of them want more tourists (who we bring, making thus a difference)”

► Specific measures, local results reporting

- E.g. “Reducing CO2 emissions in the worldwide fleet by 2030” vs. “Reducing emissions for the port of Hamburg today”

► Transparency and sincerity

- Letting critics and criticisms ‘on-board’
- More engagement with science and academia



As my hair-dresser once said to me: “Alexis, what you need is not a haircut... What you need is a solution!”




Hochschule Bremerhaven

Prof. Dr. Dr. Alexis Papathanassis
Dean - Faculty of Management & Information Systems
Chair - Cruise Management & e-Tourism

An der Karlstadt 8 · Raum S 5.33 D-27568 Bremerhaven Telefon +49 (0) 471 48 23-532 Telefax +49 (0) 471 48 23-285 E-Mail: apapathanassis@hs-bremerhaven.de http://www.ctm.hs-bremerhaven.de http://www.cruiseresearchsociety.com	Privat: Lohmannstraße 16 D-27568 Bremerhaven Telefon +49 (0) 173 613 25 65 Fax +49 (0) 7211 5152 8170 E-mail: alexis@papathanassis.com http://www.papathanassis.com
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THANK YOU

