

## **CHAPTER NINE: PERCEPTIONS OF THE DEVELOPMENT AND PLANNING PROCESS**

### **9.0 INTRODUCTION**

Few industries have such a pervasive impact on the local community as tourism. Therefore, it is considered essential to consider the perceptions of community groups (local authorities, residents and entrepreneurs/managers) in order to identify similarities and differences in their views towards tourism development. By better understanding of the local community's views concerning tourism, it is hoped to determine the extent to which they support tourism development and specify the forms of tourism expansion most favoured by the community.

This chapter is divided into six sections. Section one deals with the local authority views of residents' perceptions of tourism development. Section two investigates the perceptions of the local community (residents, owners/managers and local authorities) of various aspects of tourism development and compares the ratings of the three groups in order to identify differences in their perceptions. Section three deals with the opinions of residents on the role of the public sector in tourism development. Section four presents the proposals of owners/managers and local authority officials for changes/improvements to future promotional strategies. Section five investigates the support of the community for tourism development and presents proposals for action on further tourism development. The last section presents owners'/managers' and officials' views on tourism development and planning of the island.

As statistical measures of association in this chapter were used t-tests, ANOVA,  $\chi^2$  and Cramer's V.

## 9.1 LOCAL AUTHORITY OFFICIALS' VIEWS OF RESIDENTS' PERCEPTIONS

Tourism is a social phenomenon that has an impact on the values of society. However, tourism is also influenced by society, since the attitude of the local people plays an essential role in tourist satisfaction. Therefore, local authority officials were asked to evaluate the overall attitudes of the Cretan population towards tourists. The vast majority of officials (21 out of 25) stated that generally the attitudes of the local people towards tourism and tourists are encouraging for the further expansion of the tourism industry. As five officials highlighted, the local population respects and welcomes foreign tourists and supports tourism expansion. Two other officials stated that the local residents are very hospitable and friendly towards incoming tourists. One official said that his authority promotes local hospitality as an essential part of the Cretan tourist product.

Two officials suggested that the local community praise tourism for its profound effects on employment and income. Tourism expansion has resulted in the establishment of many new enterprises for the benefit of the local economy, unemployment rates have been reduced and income for many locals has increased. Consequently, residents have seen tourism as an alternative solution to the island's macro-economic problems and the only way to improve their standard of living through expansion of their real income, creation of shopping, sport, leisure and infrastructural facilities. As one official declared:

Residents' attitudes towards tourism on the coastal areas of the island, where tourism is mostly developed, are very positive. Attempts also are being made to improve residents' attitudes in the hinterland.

This suggests that in contrast to previous studies (e.g. Doxey, 1975; Allen et al., 1988; Dogan, 1989; Ryan et al., 1998), in areas of the island where tourism is well-developed (coast), residents have more positive attitudes compared to the areas where tourism is less-developed (hinterland).

Since there are not many other ways for the island to be developed, tourism is perceived as an essential development option. In this context, one official remarked that residents have invested in the island's tourism industry and expect a return. Another official expressed the opinion that those citizens who earn their living from tourism are more favoured towards foreign tourists, indicating that employment or economic reliance on tourism influences residents' attitudes. Four officials illustrated that some residents look upon tourists only as income and as an easy source of money. There is a lack of respect to tourists and relations between the local population and incoming tourists have been commercialised. One official referred to incidents where residents have been against tourists and avoided any contact with them. Therefore, two of the authorities have taken action to make locals more aware of incoming tourists. Another official suggested that the attitudes of the local community are very often contradictory. In some cases, residents support tourism, and in other they are against it. However, he was unable to specify the factors that cause these contradictory attitudes, making any further interpretation difficult.

On average, officials are optimistic about the social advantages publicly attributed to tourism. According to their opinion, residents have realised the potential of tourism for the island's welfare, they are sufficiently visitor friendly and support tourism development. Social disadvantages associated with tourism are not seen as serious. However, while tourism was viewed as having absolute economic benefits, some negative attitudes towards tourism were recognised by a minority of officials, mostly related to the commercialisation of relations.

## **9.2 COMMUNITY PERCEPTIONS OF TOURISM DEVELOPMENT**

To gain an overall indication of community perceptions of tourism development, attitudes were examined through a series of statements. The results of the study groups ratings are presented in this section which is divided into four sub-sections: the first sub-section is concerned with residents' perceptions, the second with owners'/managers', the third with local authority officials' and the final with

differences in perceptions among the three study groups (residents, owners/managers and officials).

### **9.2.1 Residents perceptions of tourism development**

This sub-section presents the key results on residents' ratings. It is divided into three parts. Part one investigates the perceptions of the total sample. Part two attempts to identify single factors (independent variables) tested by past studies as explanatory of residents' attitude toward tourism development. These factors include: city, length of residence, reliance on tourism employment, gender, age, education and income. The last part is concerned with two types of multiple factors:

- Factor analysis, condensing thirty Likert Scale attitudinal statements into a smaller set of components in order to examine interrelationships among items; and
- Cluster analysis, grouping residents on the basis of their competing views towards tourism.

#### **9.2.1.1 Perceptions of the total sample**

Table 9.1 presents the total sample responses to thirty attitudinal statements. The Table is divided into sections (I-V) which correspond to social, economic, environmental, overall impacts of tourism and development options. An examination of the data in Table 9.1 revealed generally positive views of tourism development. Figure 9.1, based on Table 9.1, illustrates diagrammatically the mean scores for each statement. In each section statements are presented in consecutive order from the lowest mean score to the highest. The numbers on the vertical axis are the statement numbers.

Table 9.1: Responses to tourism statements by residents\*

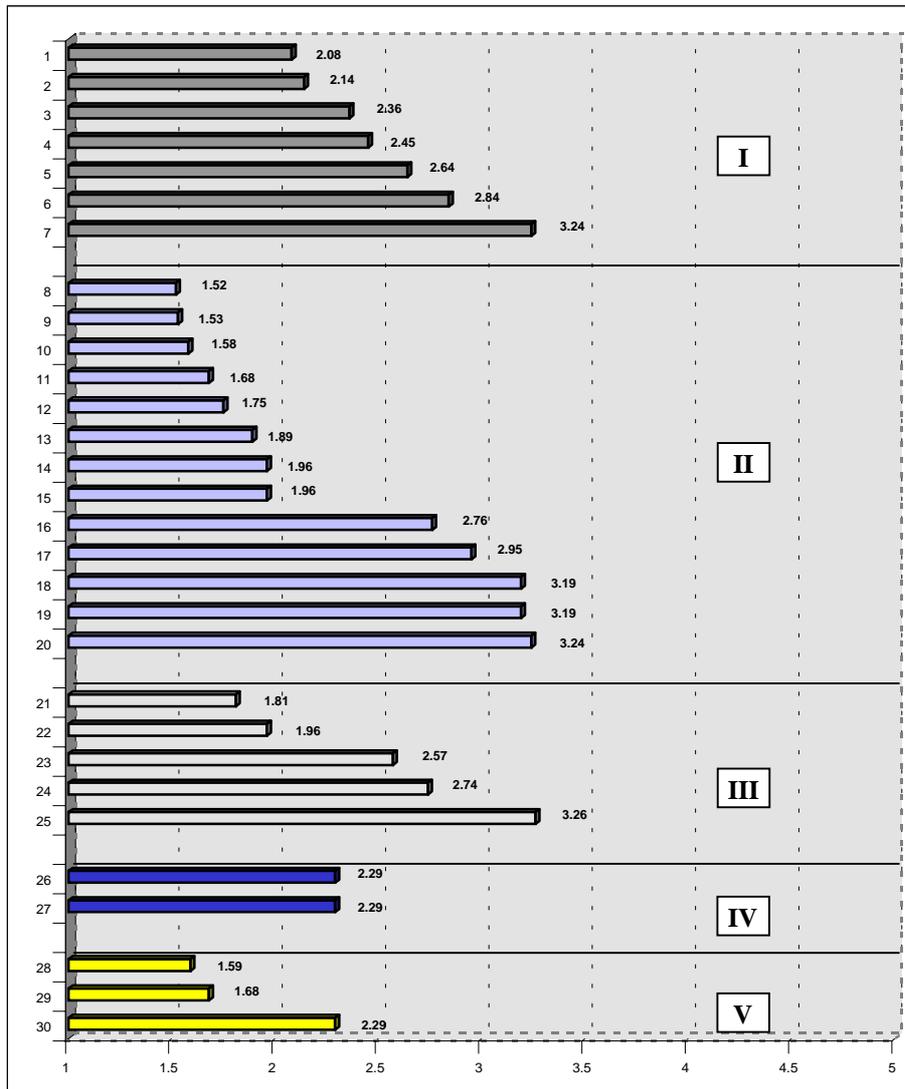
|   | 1** | 2** | 3** | 4** | 5** | Mean | Std. Deviation |
|---|-----|-----|-----|-----|-----|------|----------------|
| <b>I. SOCIAL IMPACTS</b>  | %   | %   | %   | %   | %   |      |                |
| 1. Tourism encourages a variety of cultural activities by the local population (e.g. crafts, arts, music)       | 16  | 69  | 8   | 5   | 2   | 2.08 | .77            |
| 2. Tourism has led to an increase in infrastructure for local people  | 15  | 67  | 9   | 9   |     | 2.14 | .78            |
| 3. The money that tourism brings in is of benefit to the whole community  | 13  | 57  | 12  | 18  |     | 2.36 | .92            |
| 4. How advantageous are the impacts of tourism on your family?  | 13  | 34  | 49  | 4   |     | 2.45 | .76            |
| 5. How advantageous are the impacts of tourism on the social life?  | 10  | 43  | 21  | 23  | 2   | 2.64 | 1.02           |
| 6. Our household's standard of living is higher because of the money that tourists spend here                   | 11  | 28  | 31  | 28  | 3   | 2.84 | 1.04           |
| 7. Tourism benefits a small group of people in the region   | 4   | 27  | 14  | 52  | 4   | 3.24 | 1.01           |
| <b>II. ECONOMIC IMPACTS</b>   |     |     |     |     |     |      |                |
| 8. How advantageous are the impacts of tourism on the Cretan economy?   | 51  | 48  | *** | *** | *** | 1.52 | .60            |
| 9. How advantageous are the impacts of tourism on Greek Government's income?                                    | 50  | 49  | 1   |     | *** | 1.53 | .58            |
| 10. How advantageous are the impacts of tourism on employment?  | 48  | 50  | 1   | *** | 1   | 1.58 | .65            |
| 11. How advantageous are the impacts of tourism on the region's economy?  | 41  | 54  | 4   | 2   | *** | 1.68 | .67            |
| 12. Tourism attracts more spending in the region  | 30  | 66  | 3   | *** | *** | 1.75 | .58            |
| 13. Tourism attracts more investment in the region  | 24  | 65  | 8   | 3   |     | 1.89 | .64            |
| 14. There should be no government incentives for tourism development  | 27  | 58  | 7   | 7   | 1   | 1.96 | .84            |
| 15. Prices of many goods and services in the region have increased because of tourism                           | 30  | 52  | 10  | 7   | *** | 1.96 | .86            |
| 16. Non-residents should be allowed to develop tourism attractions in this area                                 | 7   | 45  | 18  | 26  | 5   | 2.76 | 1.06           |
| 17. Most of the money earned from tourism ends up going to out of the region companies                          | 5   | 27  | 37  | 31  | *** | 2.95 | 1.04           |
| 18. Non-Cretan owned businesses are beneficial for the region's tourist industry                                | 4   | 29  | 19  | 41  | 8   | 3.19 | 1.07           |
| 19. There should be a specific tax on tourists  | 6   | 26  | 19  | 42  | 7   | 3.19 | 1.08           |
| 20. Tourism creates more jobs for foreigners than for local people in the region                                | 4   | 22  | 21  | 53  | *** | 3.24 | .93            |
| <b>III. ENVIRONMENTAL IMPACTS</b>   |     |     |     |     |     |      |                |
| 21. This community should control tourism development   | 27  | 67  | 3   | 3   |     | 1.81 | .61            |
| 22. Tourism provides an incentive for the restoration of historic buildings                                     | 17  | 75  | 4   | 4   | *** | 1.96 | .63            |
| 23. The construction of hotels and other tourist facilities has destroyed the natural environment in the region | 13  | 43  | 20  | 24  | *** | 2.57 | 1.01           |
| 24. Tourism provides an incentive for the conservation of natural resources                                     | 10  | 43  | 14  | 28  | 5   | 2.74 | 1.13           |
| 25. How advantageous are the impacts of tourism on the environment?   | 5   | 25  | 19  | 41  | 10  | 3.26 | 1.10           |
| <b>IV. OVERALL IMPACTS</b>  |     |     |     |     |     |      |                |
| 26. Overall, the benefits of tourism are greater than the costs to the people of the area                       | 11  | 62  | 14  | 14  |     | 2.29 | .83            |
| 27. Overall, the benefits of tourism are greater than the costs to Crete as a whole                             | 8   | 67  | 14  | 11  |     | 2.29 | .77            |
| <b>V. DEVELOPMENT OPTIONS</b>   |     |     |     |     |     |      |                |
| 28. Authorities in the future should encourage higher spending tourists   | 52  | 39  | 6   | 2   |     | 1.59 | .71            |
| 29. Authorities in the future should encourage tourists to visit Crete outside the main summer season           | 49  | 40  | 4   | 6   | *** | 1.68 | .84            |
| 30. Authorities in the future should encourage greater numbers of tourists                                      | 29  | 40  | 8   | 21  | 3   | 2.29 | 1.18           |

\* Percentages (rows) do not always total 100% due to rounding

\*\* For statements 4,5,8,10, 11, and 25 the Likert Scale ranged from 1 (very advantageous) to 5 (very disadvantageous) and for the remainder from 1 (strongly agree) to 5 (strongly disagree)

\*\*\* Less than 1%.

Figure 9.1: Mean scores of residents' ratings



As previous studies of residents' attitudes have found (Sethna, 1980; Ahmed, 1987; Long, 1991), this study revealed that local communities praise tourism because it encourages more cultural events and activities by the locals and for increased infrastructural facilities (85% and 82% respectively of residents agreed or strongly agreed). Equally, 49 percent of residents stated that the impact of tourism was neutral on their family, although 34 percent accepted tourism as advantageous and a further 13 percent very advantageous. Ratings on the impacts of tourism on social life were more evenly distributed across the scale, although more than half of the respondents (53%) found them positive. 70 percent of residents agreed that money from tourism is of benefit to the whole community,

39 percent suggested that their standard of living has increased because of tourism spending, although 31 percent chose the middle of the scale and more than half disagreed that tourism benefited a small group of people.

Regarding the economic impact statements more than 95 percent of residents expressed favourable opinions on the impacts of tourism on the Cretan economy, on their region's economy, on Greek Government income and on employment. There is a major perception among residents that tourism is a definite economic asset for the island's welfare. Therefore, the standard deviations on these statements are moderate, indicating a consensus of residents' opinions on the positive influence of economic impacts. Similarly, an overwhelming percentage (96%) of residents agreed that tourism attracts more spending in the region. As might be anticipated, responses to the parallel statement "tourism attracts more investments in the region" gave similar results (89% agreed).

Tourism was criticised for the increased prices of many goods and services (82% agreed). Over 50 percent agreed and 18 percent were neutral that non-residents should be allowed to develop tourist attractions. Regarding the statement that most of the money earned from tourism is reaped by companies outside the region, the vast majority of responses (95%) were centralised between 'advantageous' and 'disadvantageous', with 37 percent of responses on the middle of the scale, suggesting that they are open to a number of possibilities. Next, 85 percent of residents expressed their disagreement in the case of no government incentives for tourism development and 49 percent disagreed to the statement "non-Cretan owned businesses are beneficial for the region's tourist industry". 49 percent of residents disapproved of the establishment of a specific tax for tourists, something that was suggested only by 32 percent of interviewees. Finally, the largest disagreement (53%) was expressed with the statement that tourism creates more jobs for foreigners than locals.

One strongly supported statement was that local authorities have failed to control tourism development and therefore 94 percent of residents called for higher control of the industry. Next, residents praised tourism for providing an incentive

for the restoration of historic buildings (92% agreed), although the support was lower for the statement “tourism provides an incentive for the conservation of natural resources” (53% agreeing). 56 percent of residents agreed that the construction of hotels and other tourist facilities destroys the natural environment. On the other hand, ratings on the general impacts of tourism on the environment were less rosy with slightly over than half of residents finding them negative.

Clearly, there was a general consensus about the benefits derived from tourism development with more than 70 percent of residents agreeing that the overall benefits of tourism are greater than the costs to the people of the area and to Crete as a whole. Furthermore, residents agreed strongly that authorities should encourage higher spending tourists and visitation of the island outside the main summer season (92% and 89% respectively agreeing). When asked whether they would support an increase in the number of tourists visiting the island, 69 percent responded positively, while 24 percent viewed such an increase negatively.

#### **9.2.1.2 Single explanatory factors of residents’ attitudes**

Many studies have stated that groups are not necessarily homogenous, but their attitudes towards tourism development may differ because of various factors. Therefore one-way ANOVA and t-tests were used to identify significant differences between the seven groups (single factors) and the thirty Likert scale statements. In the results of the ANOVA and t-tests (Appendix R), not many statistical differences were evident as residents displayed quite a high degree of similarity in their choices. However, some groups presented some differences.

Among the seven socio-demographic variables used education and employment reliance on tourism were the best discriminators of attitudes towards tourism development. Education was a discriminator for ten of the statements. Almost 65 percent of the highly-educated agreed that tourism benefits a small group of people in the region, although the proportions for the low and medium educated groups were less than 50 percent. For the impacts of tourism on the regional economy, the majority (65%) of the less-educated perceived tourism as

advantageous, although the proportion of medium and highly-educated, who perceived tourism as advantageous was lower (48% and 53% respectively). On the other hand, less-educated residents were less positive about the impacts of tourism on the Cretan economy, with 61 percent considering them to be advantageous. However, the majority of medium and highly-educated residents viewed tourism as very advantageous (59% and 51% respectively). In addition, 61 percent of the highly-educated did not think that tourism creates more jobs for foreigners than local people, whereas the percentage of less-educated who thought the same was 43 percent. When asked whether they thought, “tourism attracts more spending in the region”, almost all responses were positive. However, the percentage of highly-educated who agreed strongly was higher (44%) compared to the medium-educated (26%) and the less-educated (16%). Finally, 90 percent of the highly-educated expressed the opinion that the prices of products and services have increased because of tourism although the percentages for the other two groups who agreed were less than 75 percent.

Highly-educated residents were more negative about the impacts of tourism on the environment with 69 percent being negative, compared to 47 percent of the medium-educated and 53 percent of the less-educated. The highly-educated argued more frequently (73% on the positive side) that the construction of hotels and other tourist facilities had destroyed the environment. The percentage with the same view was lower for the less and medium-educated (both 51% on the positive side). When asked whether they agreed that “tourism provides an incentive for the conservation of natural resources” 33 percent of highly-educated agreed or strongly agreed compared to 59 percent of the medium-educated and 74 percent of the less-educated. On the other hand, 57 percent of the highly-educated agreed with the encouragement of greater numbers of tourists, although the percentages were 76 percent for the medium and 71 percent for the less-educated. Overall, highly-educated residents were less favourable about most of the environmental impacts of tourism, compared to the medium and less-educated.

Reliance on tourism employment was a discriminator of attitudes towards tourism development for nine of the statements. For the statement “the money that tourism

brings is of benefit to the whole community”, 75 percent of tourism-reliant residents agreed. The percentage was lower for residents who were non-reliant on tourism (63% agreed). The majority (60%) of non-reliant residents found tourism neutral on their family, although the majority (57%) of reliant viewed tourism as advantageous. Similarly, approximately 36 percent of non-reliant residents chose the middle of the scale and a further 40 percent disagreed that their household’s standard of living was higher because of tourism spending, although reliant respondents were more favoured with 50 percent having agreed and 26 percent responding neutrally. For the impacts of tourism on both their region’s economy and Cretan economy, 62 percent of residents, who were non-reliant on tourism, perceived tourism as advantageous, although 50 percent and 63 percent respectively of reliant residents chose the very advantageous point. Similarly, for the impacts of tourism on Greek Government income and on employment, 68 percent and 62 percent respectively of non-reliant residents perceived tourism as advantageous, although the majority (64% and 58% respectively) of reliant were less likely to view it as very advantageous. Furthermore, for the statement “tourism attracts more investments in the region”, non-reliant residents were less positive (16% strongly agreed and 68% agreed), although 30 percent of reliant residents strongly agreed and 64 percent agreed. Non-reliant residents suggested more frequently (38% on the agree side) the taxation of tourists, compared to 27 percent of reliant residents.

With the statement suggesting the encouragement of higher spending tourists, 58 percent of the non-reliant strongly agreed, although the percentage of the reliant who strongly agreed, was 46 percent. On average, as was expected tourism reliant residents expressed more favourable opinions.

Concerning city of residence, eight variables recorded significant relationships. The greatest contrast of views was found between residents of Agios Nikolaos and residents of all other cities. Specifically, those from the city of Agios Nikolaos agreed that the impacts of tourism were beneficial for their family (72%) and that their standard of living had improved because of tourism (67%), but the residents of Heraklio were more likely to be neutral about the impact of tourism on their

family (71%) and on their families' standard of living (43%). In addition, 72 percent of residents of Rethymno and 64 percent of Agios Nikolaos disagreed that tourism benefits a small group of people in the region, although half of Chania residents agreed. The statement "the money that tourism brings in is of benefits to the whole community" was more frequently agreed with by residents of Agios Nikolaos (87%), followed by residents of Rethymno (72%), although the percentages of residents who agreed or strongly agreed in Chania and Heraklio were lower (66% and 56% respectively). When asked for the impacts of tourism on Greek Government income, residents of all cities found them advantageous. However, the share of residents of Heraklio and Agios Nikolaos finding them very advantageous was higher (both of them 64%), although for the cities of Rethymno and Chania the percentages were lower (35% and 37% respectively). Residents of Heraklio were the most negative about the impacts of tourism on the environment, followed by residents of Chania (64% and 56% respectively finding them negative), although 46 percent of Agios Nikolaos residents found them positive. Again, residents of Agios Nikolaos were the most supportive of the attraction of higher numbers of tourists (92% agreed), although 34 percent of Chania residents and 28 percent of Heraklio were opposed to it. Moreover, Heraklio residents suggested more frequently the encouragement of tourists to visit Crete outside the summer season (98% agreed or strongly agreed), although a minority of residents of Chania (18%) disagreed.

To sum up, residents of the city of Agios Nikolaos, which has the highest level of tourism expansion among the four cities, favoured tourism relatively more than residents of the other cities, suggesting again that residents of areas depending on tourism are more favourable towards it.

Gender was significant as an explanatory variable of attitude only for four statements. 90 percent of women agreed that because of tourism, prices for many goods and services have increased, although the percentage was 77 percent for men. Additionally, non-Cretan ownership is perceived to be beneficial for 39 percent and non-beneficial for 45 percent of men, although 33 percent of women views were in the middle of the scale and an additional 53 percent found it to be

non-beneficial. Women suggested more frequently that there should be a tourism tax (43% agreed or strongly agreed), compared to men (58% disagreed). Additionally, women were more likely to negatively view the impacts of tourism on the environment, with 60 percent finding them disadvantageous, compared to men (45%). To sum up, for the four items with significant relationships with gender, women were more negative in terms of attitudes to tourists compared to men.

Age was not a significant discriminator with the exception of three statements. The vast majority of the younger residents found the impacts of tourism neutral for their families (71%), although 52 percent of older and 63 percent of middle-aged residents viewed them as advantageous or very advantageous. For the impacts of tourism on the environment, 50 percent of the older residents viewed them as advantageous or very advantageous, although young and middle-aged residents were more negative (68% and 63% respectively viewed them as disadvantageous or very disadvantageous). Besides, approximately 95 percent of middle-aged and older residents agreed that the authorities should encourage tourists to visit the island outside the summer season, although the percentage for younger residents was 81 percent. In summary, younger residents viewed environmental impacts more favourably, they supported visitation of the island outside the summer season less and their families were less affected by tourism.

Length of residence was a discriminator only for two statements. 51 percent of newcomers viewed tourism as advantageous for their region's economy and 56 percent of life-long residents perceived it as advantageous. Regarding the statement, "tourism provides an incentive for the conservation of natural resources", 45 percent of life-long residents agreed and a further 25 percent disagreed, although the proportion of newcomers who agreed was lower (36%) and who disagreed higher (34%).

Income was not a factor influencing opinions except for one statement. 66 percent of the high-income group disagreed that tourism creates more jobs for foreigners than locals. The percentage for the lower-income group was lower (42%).

Overall, the two most important discriminators of attitudes towards tourism development were education and employment reliance (10 and nine significant associations respectively). A third discriminator was city of residence with eight significant associations. For the remaining single factors (gender, age, length of residence and income), not many significant associations were found.

### 9.2.1.3 Important factors for residents attitudes

To identify interrelationships among the 30 variables and discover underlying patterns without sacrificing the data's original integrity, further analysis of residents' perceptions was undertaken using factor analysis. The results are shown in Table 9.2. Column 1 reports the allocation of the 23 items<sup>1</sup>. The next nine columns report the nine factors and the loading for each item. The nine factors accounted for 62.4 percent of the variance in the data. The factor solution used has extracted the factors in the order of their importance, with the largest and best combinations first, and then proceeding to smaller. Factor 1 accounts for the most of the variance (16.9%), whereas the second accounts for 9.3 percent and the third for 8.3 percent. The remaining six factors account in total for 27.9 percent of variance, ranging from 6.1 to 3.7 percent. The last column presents the communalities ( $H^2$ ). The item dealing with the impacts of tourism on the Cretan economy followed by the item dealing with the environmental impacts had the highest communalities ( $H^2 = .879$  and  $.771$  respectively), indicating that these items explain a higher proportion of the variance than is accounted for, by all the factors taken together. Two items had very low communality, the item "most of the money earned from tourism ends up going to out of the region companies" ( $H^2 = .262$ ) and "authorities in the future should encourage higher spending tourists" ( $H^2 = .279$ ), showing that they had little relation to the factors.

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<sup>1</sup> As already mentioned in the methodology chapter, six items failed to meet the criterion of  $\pm .40$  loading and one factor had only one item, and were excluded from the factor analysis.

Table 9.2: Factor analysis results

|   | 1     | 2     | 3     | 4     | 5     | 6     | 7     | 8     | 9     | H <sup>2</sup> |
|---|-------|-------|-------|-------|-------|-------|-------|-------|-------|----------------|
| How advantageous are the impacts of tourism on your family?   |       |       |       |       |       | .614  |       |       |       | .482           |
| How advantageous are the impacts of tourism on the region's economy?  | .725  |       |       |       |       |       |       |       |       | .670           |
| How advantageous are the impacts of tourism on the Cretan economy?  | .927  |       |       |       |       |       |       |       |       | .879           |
| How advantageous are the impacts of tourism on Greek Government's income?                                   | .831  |       |       |       |       |       |       |       |       | .729           |
| How advantageous are the impacts of tourism on employment?  | .639  |       |       |       |       |       |       |       |       | .547           |
| How advantageous are the impacts of tourism on the environment?   |       |       | .828  |       |       |       |       |       |       | .771           |
| How advantageous are the impacts of tourism on the social life?   |       |       | .433  |       |       |       |       |       |       | .396           |
| Authorities in the future should encourage higher spending tourists   |       |       |       |       | .429  |       |       |       |       | .279           |
| Authorities in the future should encourage tourists to visit Crete outside the main summer season           |       |       |       |       | .811  |       |       |       |       | .747           |
| Our household's standard of living is higher because of the money that tourists spend here                  |       |       |       |       |       | .716  |       |       |       | .630           |
| Tourism creates more jobs for foreigners than for local people in the region                                |       |       |       |       |       |       |       | .539  |       | .491           |
| Tourism attracts more spending in the region  |       |       |       |       |       |       | .752  |       |       | .630           |
| Tourism attracts more investment in the region  |       |       |       |       |       |       | .501  |       |       | .441           |
| Most of the money earned from tourism ends up going to out of the region companies                          |       |       |       |       |       |       |       | .492  |       | .262           |
| Non-Cretan owned businesses are beneficial for the region's tourist industry                                |       |       |       |       |       |       |       |       | .728  | .614           |
| Tourism benefits a small group of people in the region  |       |       |       |       |       |       |       | .415  |       | .448           |
| Non-residents should be allowed to develop tourism attractions in this area                                 |       |       |       |       |       |       |       |       | .533  | .387           |
| The construction of hotels and other tourist facilities has destroyed the natural environment in the region |       |       | -.575 |       |       |       |       |       |       | .467           |
| Tourism provides an incentive for the restoration of historical buildings                                   |       | .648  |       |       |       |       |       |       |       | .525           |
| Tourism encourages a variety of cultural activities by the local population (e.g. crafts, arts, music)      |       | .715  |       |       |       |       |       |       |       | .639           |
| Tourism has led to an increase in infrastructure for local people   |       | .456  |       |       |       |       |       |       |       | .384           |
| Overall, the benefits of tourism are greater than the costs to the people of the area                       |       |       |       | .685  |       |       |       |       |       | .621           |
| Overall, the benefits of tourism are greater than the costs to Crete as a whole                             |       |       |       | .722  |       |       |       |       |       | .760           |
| Eigenvalue  | 5.071 | 2.791 | 2.494 | 1.839 | 1.575 | 1.368 | 1.310 | 1.139 | 1.119 |                |
| Percentage of variance explained  | 16.9  | 9.3   | 8.3   | 6.1   | 5.3   | 4.6   | 4.4   | 3.8   | 3.7   |                |

- Notes: 1. Extraction Method: Principal Axis Factoring. Rotation Method: Varimax  
2. H<sup>2</sup> = Communalities  
3. Only loadings greater than ±.40 are reported  
4. Total percentage of explained variance, 62.4%.

**Factor 1:** The four items allocated in this factor have very high loadings compared to all other factors, ranging from .927 to .639, and indicating a high interrelationship of the items. For the reason that factor reflects the importance of tourism for the island's economy, it was labelled *economic benefits dimension*. Looking at this factor, we see that all variables are positively related to each other, suggesting that there is a consensus on the economic prosperity derived from tourism for the Cretan economy, the region of the respondent's economy, employment and government income. This was not unexpected since the literature shows an overall satisfaction in a myriad of studies with the economic benefits derived from tourism expansion, something that has made governments, developers and residents of many receiving destinations view tourism as a panacea for their destination's macroeconomic problems.

**Factor 2:** Since this factor incorporates statements dealing with the positive effects of tourism on culture and infrastructure, it was labelled *cultural and infrastructural dimension*. It is evident that residents did not favour tourism only for its economic benefits, but also for the incentives it provides for the restoration of historical buildings, the encouragement of a variety of cultural activities by locals and the increase in infrastructure for local people, items easily associated with the improvement of the destination's image.

**Factor 3:** Although the economic benefits and the cultural and built dimension account for the largest amount of variance, it does not mean that the other factors are unimportant, since the third factor has the item with the third highest loading. Two of the three items loading higher in this factor are primarily statements dealing with the environment. Thus, this factor was labelled *environmental dimension*. In this factor we see that two of the variables are positively related to each other and negatively to the statement "the construction of hotels and other tourist facilities has destroyed the physical environment in the region". Thus, it can be interpreted that residents having supported the two positively related statements had disagreed with the third negative one. As a result, residents who expressed their satisfaction with the overall positive impacts of tourism on the environment and social life, expressed disagreement with the item, "the construction of hotels and other tourist facilities has destroyed the natural environment in the region". Another issue to note is the lowest significance

variable found in this factor dealing with the impacts of tourism on social life and showing that residents related environmental impacts with social ones.

**Factor 4:** The central issue in this factor is the overall benefits that tourism creates for the people of each respondent's area and the whole island. Therefore, it was labelled *overall benefits dimension*. Since the loadings of the two items found in this factor are highly and positively correlated, it can be assumed that residents could not find many differences in the impacts of tourism on the people of their area and Crete as a whole.

**Factor 5:** is concerned with two of the three future directions that local authorities should take into consideration in the development of the island, the extension of the tourism season and the attraction of higher spending tourists. Therefore, it was labelled the *development options dimension*. The majority of residents supporting the expansion of the tourism season also suggested the attraction of better quality tourists, showing support for tourism development under the condition of spreading the tourism flow and changing the cheap mass tourism pattern. While the grouping of these two statements is easy to understand due to their strong reference to the future direction of the local authorities, it is noteworthy that the third option dealing with an increase in the number of tourists did not load on this factor or any other factor. Therefore, spending power and seasonal distribution of tourists are not interrelated to quantity.

**Factor 6:** was labelled *family benefits dimension* since the two items found in this factor are concerned with the increased standard of living and the impacts of tourism on the respondents' family. In particular, residents suggesting an improvement in their standard of living also mentioned the overall beneficial impacts of tourism on their family. Interestingly, the item dealing with the impacts of tourism on social life was not found in this factor, indicating that residents related the impacts of tourism on social life with environmental impacts rather than the impacts of tourism in their family.

**Factor 7:** Not surprisingly, the statements dealing with spending and investments are positively interrelated in the same factor. Therefore, this factor was labelled *spending and investment dimension*.

**Factor 8:** The literature review in previous chapters stressed the concern for the leakage of money created from tourism development. The three items in this

factor deal with the notion that tourism creates employment and income for outsiders. As a result, it was labelled *leakage dimension*. It is noteworthy that statements dealing with another aspect of leakage, outside intervention, are not found in this factor but appear in another factor.

**Factor 9** is the last factor to be considered. It deals with opinions on the control of *outside intervention* in the island's tourism industry.

In short, the factor analysis shows that the five most important issues to the residents of Crete are the impacts of tourism on the economy, culture and infrastructure, environment, overall benefits and the development options to be followed by developers and planners. Nevertheless, it is essential to note that the addition of other variables may have changed the outcome of the factor (as well as the cluster analysis below).

Stepwise multiple regression models were performed between each of the nine factors as dependent variables and city of residence (converted into three independent variables: city of Heraklio, Chania, and Rethymno), length of residence, employment reliance, gender, age, education and income, as independent. The aim was to identify which of the independent variables are more strongly related to the factors and to estimate the percentage of variance in the factors explained by the independent variables. Table 9.3 shows the results of the regression analysis. Column one shows the Factors and the variables having shown significance in each factor. By using the F ratios six out of the nine regression models have shown significance. Three models (the cultural and infrastructural, the overall benefits and the outside intervention dimensions) did not make any significant prediction and are not presented in the table. Column two presents the Beta ( $\beta$ ) coefficients that show the relative effect of each independent variable on each Factor. Column three shows the *coefficient of determination* ( $r^2$ ) that measures the percentage of total variation of each factor explained by the independent variables. The model explaining the environmental dimension performed much better than all others, explaining 13.6 percent of the variance. The next model explaining a high amount of variance was the economic benefits dimension (10.6%). The other four models had a lower prediction ranging

from nine percent for the leakages dimension to 3.3 percent for the spending-investment dimension. The last two columns show the significance of the correlation between the factors and the independent variables by using t-test statistics.

**Table 9.3: Influence of independent variables on factors**

|   | Beta ( $\beta$ ) | R <sup>2</sup> | T-value | Sig. |
|---|------------------|----------------|---------|------|
| <b>Factor 1: Economic benefits dimension</b><br>F = 9.537, Sig. = .000      |                  |                |         |      |
| Employment reliance   | -.260            | .063           | -3.480  | .001 |
| Education   | -.208            | .106           | -2.794  | .006 |
| <b>Factor 3: Environmental dimension</b><br>F = 12.699, Sig. = .000         |                  |                |         |      |
| Education   | .334             | .113           | 4.554   | .000 |
| Length of residence   | -.153            | .136           | -2.086  | .039 |
| <b>Factor 5: Development options dimension</b><br>F = 5.432, Sig. = .005    |                  |                |         |      |
| City of Heraklio <sup>a</sup>   | -.214            | .037           | -2.778  | .006 |
| Age   | -.164            | .063           | -2.126  | .035 |
| <b>Factor 6: Family benefits dimension</b><br>F = 5.559, Sig. = .005        |                  |                |         |      |
| Employment reliance   | -.220            | .037           | -2.845  | .005 |
| City of Heraklio <sup>a</sup>   | .167             | .065           | 2.162   | .032 |
| <b>Factor 7: Spending – investments dimension</b><br>F = 5.595, Sig. = .019 |                  |                |         |      |
| Education   | -.183            | .033           | -2.365  | .019 |
| <b>Factor 8: Leakages dimension</b><br>F = 7.980, Sig. = .000               |                  |                |         |      |
| Education   | .260             | .049           | 3.404   | .001 |
| Age   | .206             | .090           | 2.687   | .008 |

<sup>a</sup> Dummy-coded: 1 = City of Heraklio, 0 = other cities.

Education was the best contributor, making a prediction for four out of the six factors. The highly-educated perceived more favourably the economic benefits ( $\beta = -.260$ ) and spending and investments ( $\beta = -.183$ ), although they were less positive for the environmental impacts ( $\beta = .334$ ) and leakages ( $\beta = .260$ ). Another predictor was employment reliance. Not surprisingly, non-reliant residents had perceived as less positive the economic benefits ( $\beta = -.260$ ) and their families had been less affected by tourism ( $\beta = -.290$ ). In the model dealing with the development options dimension, city of Heraklio was the best predictor. The beta weight for city of Heraklio was negative ( $\beta = -.214$ ), indicating that residents of Heraklio perceived the attraction of higher spending tourists and visitation of the island outside the main summer season more frequently than residents of the

other cities. In the model dealing with the family benefits dimension, residents of Heraklio were less positive ( $\beta = .167$ ). Age was the second best predictor in the development options model. The negative beta weight ( $\beta = -.164$ ) shows that younger residents suggested less frequently the development options. Additionally, the positive weight ( $\beta = .206$ ) on the leakages dimension model indicates that younger residents suggested more frequently the leakages emerging through tourism. Length of residence was a predictor in the environmental dimension model. Long-life residents were less positive about the environmental impacts compared to newcomers ( $\beta = -.153$ ). Gender and income did not make any significant prediction.

#### **9.2.1.4 Segmentation of residents by their attitudes towards tourism**

In an attempt to classify the sample into meaningful subgroups a cluster analysis was carried out, based on the 30 Likert Scale statements, which were also used in the factor analysis. Once clusters were identified, their key characteristics were determined and they were named by comparing the mean scores of responses and the ratings on the Likert scale for each question. The highest difference of the means across the clusters was for the variable dealing with the impacts of tourism on the environment followed by the variable “tourism creates more jobs for foreigners than for local people”, indicating more distant opinions of clusters in these two statements. Five out of the 30 statements did not show any statistical significance and were excluded from further analysis.

The profiling procedure based upon the mean average score for the 30 statements produced three clusters, namely ‘Advocates’, ‘Economic Sceptics’, and ‘Socially and Environmentally Concerned’. An analysis of the three clusters follows (Table 9.4, Figure 9.2).

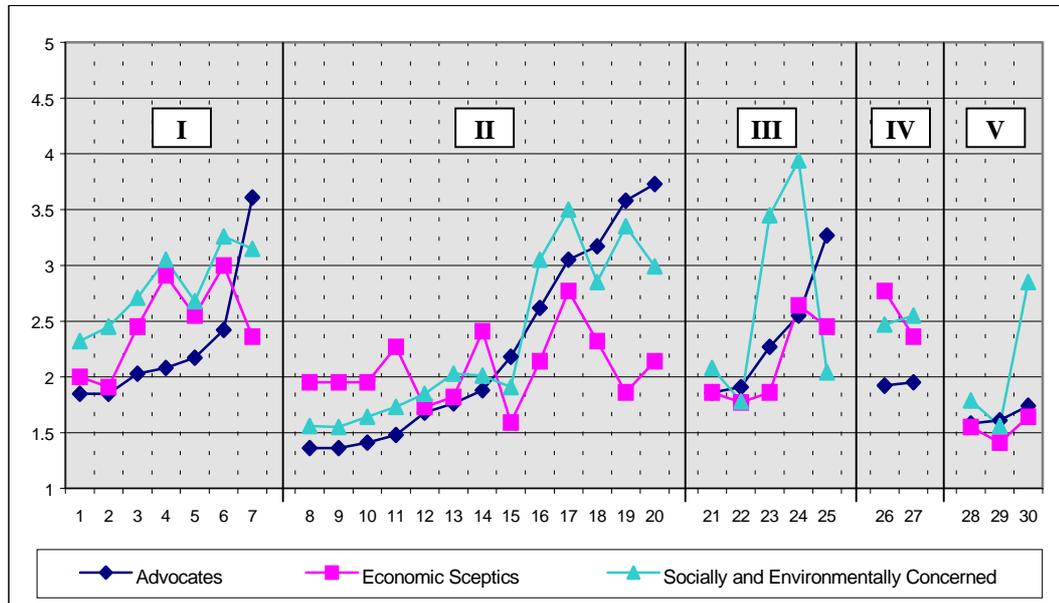
Table 9.4: Residents segmentation

|   | CLUSTERS MEANS |      |      | F<br>RATIO <sup>1</sup> | SIG. <sup>2</sup> |
|---|----------------|------|------|-------------------------|-------------------|
|   | 1              | 2    | 3    |                         |                   |
| <b>I. SOCIAL IMPACTS</b>  |                |      |      |                         |                   |
| 1. Tourism encourages a variety of cultural activities by the local population (e.g. crafts, arts, music)       | 1.85           | 2.00 | 2.32 | 7.793                   | <b>.001</b>       |
| 2. Tourism has led to an increase in infrastructure for local people  | 1.85           | 1.91 | 2.45 | 13.535                  | <b>.000</b>       |
| 3. The money that tourism brings in is of benefit to the whole community  | 2.03           | 2.45 | 2.71 | 10.777                  | <b>.000</b>       |
| 4. How advantageous are the impacts of tourism on the social life?  | 2.08           | 2.91 | 3.05 | 22.062                  | <b>.000</b>       |
| 5. How advantageous are the impacts of tourism on your family?  | 2.17           | 2.55 | 2.68 | 9.136                   | <b>.000</b>       |
| 6. Our household's standard of living is higher because of the money that tourists spend here                   | 2.42           | 3.00 | 3.26 | 13.347                  | <b>.000</b>       |
| 7. Tourism benefits a small group of people in the region   | 3.61           | 2.36 | 3.15 | 14.580                  | <b>.000</b>       |
| <b>II. ECONOMIC IMPACTS</b>   |                |      |      |                         |                   |
| 8. How advantageous are the impacts of tourism on the Cretan economy?   | 1.36           | 1.95 | 1.56 | 8.644                   | <b>.000</b>       |
| 9. How advantageous are the impacts of tourism on Greek Government's income?                                    | 1.36           | 1.95 | 1.55 | 9.218                   | <b>.000</b>       |
| 10. How advantageous are the impacts of tourism on employment?  | 1.41           | 1.95 | 1.64 | 6.257                   | <b>.002</b>       |
| 11. How advantageous are the impacts of tourism on the region's economy?  | 1.48           | 2.27 | 1.73 | 12.733                  | <b>.000</b>       |
| 12. Tourism attracts more spending in the region  | 1.68           | 1.73 | 1.85 | 1.436                   | .241              |
| 13. Tourism attracts more investment in the region  | 1.76           | 1.82 | 2.03 | 3.274                   | <b>.040</b>       |
| 14. There should be no government incentives for tourism development  | 1.88           | 2.41 | 2.01 | 3.169                   | <b>.045</b>       |
| 15. Prices of many goods and services in the region have increased because of tourism                           | 2.18           | 1.59 | 1.91 | 4.592                   | <b>.011</b>       |
| 16. Non-residents should be allowed to develop tourism attractions in this area                                 | 2.62           | 2.14 | 3.05 | 8.487                   | <b>.000</b>       |
| 17. Non-Cretan owned businesses are beneficial for the region's tourist industry                                | 3.05           | 2.77 | 3.50 | 5.997                   | <b>.003</b>       |
| 18. Most of the money earned from tourism ends up going to out of the region companies                          | 3.17           | 2.32 | 2.85 | 8.680                   | <b>.000</b>       |
| 19. Tourism creates more jobs for foreigners than for local people in the region                                | 3.58           | 1.86 | 3.35 | 42.283                  | <b>.000</b>       |
| 20. There should be a specific tax on tourists  | 3.73           | 2.14 | 2.99 | 25.550                  | <b>.000</b>       |
| <b>III. ENVIRONMENTAL IMPACTS</b>   |                |      |      |                         |                   |
| 21. Tourism provides an incentive for the restoration of historical buildings                                   | 1.86           | 1.86 | 2.08 | 2.742                   | .067              |
| 22. This community should control tourism development   | 1.91           | 1.77 | 1.78 | .838                    | .435              |
| 23. Tourism provides an incentive for the conservation of natural resources                                     | 2.27           | 1.86 | 3.45 | 40.655                  | <b>.000</b>       |
| 24. How advantageous are the impacts of tourism on the environment?   | 2.55           | 2.64 | 3.94 | 47.793                  | <b>.000</b>       |
| 25. The construction of hotels and other tourist facilities has destroyed the natural environment in the region | 3.27           | 2.45 | 2.04 | 38.095                  | <b>.000</b>       |
| <b>IV. OVERALL IMPACTS</b>  |                |      |      |                         |                   |
| 26. Overall, the benefits of tourism are greater than the costs to the people of the area                       | 1.92           | 2.77 | 2.47 | 14.105                  | <b>.000</b>       |
| 27. Overall, the benefits of tourism are greater than the costs to Crete as a whole                             | 1.95           | 2.36 | 2.55 | 12.023                  | <b>.000</b>       |
| <b>V. DEVELOPMENT OPTIONS</b>   |                |      |      |                         |                   |
| 28. Authorities in the future should encourage tourists to visit Crete outside the main summer season           | 1.58           | 1.55 | 1.79 | 1.474                   | .232              |
| 29. Authorities in the future should encourage higher spending tourists   | 1.61           | 1.41 | 1.56 | .687                    | .505              |
| 30. Authorities in the future should encourage greater numbers of tourists                                      | 1.74           | 1.64 | 2.85 | 25.735                  | <b>.000</b>       |

<sup>1</sup> df between groups = 2, within groups = 163

<sup>2</sup> The values shown in bold indicate a statistically relationship at the .05 level of confidence

Figure 9.2: Mean scores of clusters



### Cluster 1: Advocates

The first cluster represents 40 percent of the sample. Because this group is notable for its strong support of tourism, it was labelled 'Advocates'.

'Advocates' expressed the most favourable opinions on the six statements dealing with the positive social impacts of tourism and were more likely to express disagreement, compared to the other clusters, with the statement that tourism benefits a small group of people in the area (74% disagreed or strongly disagreed). Families of 'Advocates' are mostly affected by tourism development, (64% declared as advantageous the impacts of tourism to their family) something that might explain their strong support for tourism development.

'Advocates' show a high appreciation of tourism's impacts on their region's and the Cretan economy, on employment, and on government revenues (with an overwhelming percentage, 99%, considering tourism as advantageous), and agreed stronger that tourism attracts more investments in their region (97% on the agree side). As a result, it is clear that there is a widespread perception among this cluster that tourism is a definite economic asset for the island's welfare. Their support of the tourism industry is evident in the 71 percent who disapproved of

the establishment of a specific tax on tourists and 91 percent who supported the proposal that the government should provide incentives for the tourism development of the island.

‘Advocates’ did not express much concern over the environmental impacts of tourism, as the next cluster did. 47 percent disagreed and 35 percent responded neutrally (suggesting that they are open to a number of possibilities), with the statement that “the construction of hotels and other tourist facilities has destroyed the natural environment”. 55 percent perceived tourism as being advantageous for the environment. 96 percent praised tourism because it provides an incentive for the restoration of historic buildings.

With the statements dealing with the overall benefits of tourism, ‘Advocates’ were more likely to agree (90% gave a score above the mid-point of three) than those in the other clusters.

Surprisingly, ‘Advocates’ were between the other two clusters for the statement supporting the encouragement of greater numbers of tourists, although the vast majority (93%) were positive.

In general, ‘Advocates’ are notable for their recognition of the significance of the tourism industry for Crete and when considering statements related to the negative effects of tourism, they were more likely to show disagreement than the other two groups.

### **Cluster 2: Economic Sceptics**

This cluster is the smallest, comprising 13 percent of the total sample. Whereas, the ‘Advocates’ possessed the most positive opinions, this segment was rated the most negative for the economic impacts of tourism. Therefore, it was called

‘Economic Sceptics’ were rated in-between for the social impact statements with the exception of the statement “tourism benefits a small group of people in the area” where they were most likely to be positive (64% agreed).

For the impacts of tourism on their region and the Cretan economy, on employment and on the Greek Government's income, 'Economic Sceptics' were the most negative. 'Economic Sceptics' accepted more frequently than the other clusters (91% on the agree side) that tourism creates more jobs for foreigners than for locals, and that most of the money earned from tourism ends up going out of the region (55% on the agree side and 41% on the middle of the scale). Nevertheless, more than half supported the statement that non-Cretan owned businesses are beneficial for the region's tourism industry and 82 percent welcomed the development of tourism attractions by non-residents, giving the impression that the island is not exploited fully in tourism terms.

'Economic Sceptics' were more likely to agree with the statement "tourism provides an incentive for the conservation of natural resources" (85% on the agree side), although for the other two environmental statements they were rated in-between the other two clusters.

Although 'Economic Sceptics' were the most negative among the groups for the statements dealing with the overall benefits of tourism for the people of their area (50% agreeing and 32% disagreeing), they were between the other two clusters for the overall benefits of tourism to Crete as a whole (77% agreeing), indicating that people in their area had received less benefits from tourism expansion than the island as a whole, and therefore they call for outsiders to develop further the industry. Similarly, they supported more strongly the encouragement of greater numbers of tourists (96% on the agree side).

### **Cluster 3: Socially and Environmentally Concerned (SEC)**

The third cluster represents the largest segment of the sample, comprising 47 percent of the total. This cluster is characterised by the most negative views of the social and environmental impacts of tourism, and therefore it was labelled 'SEC'. 'SEC' families' have not benefited significantly from tourism expansion (73% found disadvantageous the impacts of tourism on their family). SEC were the most negative for all the statements dealing with the social impacts of tourism, with exception the statement "tourism benefits a small group of people", where

their responses were more evenly distributed across the scale (46% disagreed and 31% agreed).

'SEC' have been rated in-between for most of the economic impact statements, with the exception of the following two statements where they were the most negative: "non-Cretan owned businesses are beneficial for the region's tourist industry" (62% on the disagree side) and "non-residents should be allowed to develop tourism attractions in this area" (42% were on the disagree side and 16% on the middle of the scale). This can be associated with the notion that the attraction of outsiders into the island's tourism industry may further burden the environmental resources.

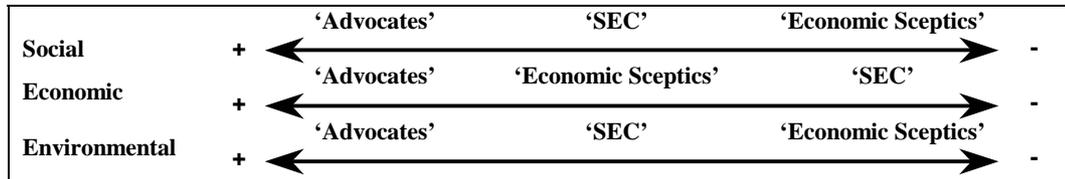
'SEC' indicated the highest consensus among the groups toward the environmental costs resulting from tourism development. 'SEC' were rated the most negative (63% on the disagree side) in respect of the statement "tourism provides an incentive for the conservation of natural resources" and they were more likely to agree (86% ranked above the average point) with the statement that "the construction of hotels and other tourist facilities has destroyed the natural environment". Similarly, 82 percent considered the impacts of tourism on the environment disadvantageous.

'SEC' did not show much agreement with the statements that the overall benefits of tourism outweighed costs. Additionally, they supported less strongly the encouragement of greater numbers of tourists (41% disagreed) compared to the other two groups. To summarise, for this group, future tourism development should be controlled and environmentally friendly.

In conclusion, residents of Crete are not a homogenous group in their perceptions of tourism impacts and development. The findings of the clustering procedure suggest that community groups in Crete have a different degree of positivity towards various tourism impacts (Figure 9.3). 'Advocates' are the most positive about all the impacts of tourism, 'Economic Sceptics' are the most negative about the economy and 'SEC' are the most negative about social and environmental

impacts. Regarding the overall benefits of tourism, ‘Advocates’ are again the most positive, although opinions of the other two groups are mixed.

**Figure 9.3: Degree of clusters’ positivity towards tourism impacts**



As mentioned above, attitudes towards tourism may vary because of different socio-demographic and other related characteristics of the respondents. Therefore, in order to describe and further analyse respondents’ attitudes within clusters, a number of classifying variables were tested to assess whether differences exist. City of residence, length of residence, employment reliance in tourism, gender, age, education, and income were tested for significant associations with the three clusters. It is interesting to note that the clusters derived from the attitudinal statements were independent of socio-demographic characteristics apart from one, the education level of respondents (Cramer’s V = .240). As Table 9.5 indicates, the first cluster (‘Advocates’) had the highest share (47%) of medium-educated, the second cluster (‘Economic Sceptics’) the higher share of less-educated (54%) and the third cluster (‘SEC’) the most highly-educated respondents (48%). As a result, it may be assumed that the medium-educated residents were more supportive of tourism development, the less-educated were more negative about the economic effects of tourism, and the highly-educated expressed more concern about the environmental and social costs of tourism.

**Table 9.5: Educational background of clusters**

|                                    | Less-educated % | Medium-educated % | Highly-educated % |
|------------------------------------|-----------------|-------------------|-------------------|
| <b>Clusters</b>                    |                 |                   |                   |
| ‘Advocates’                        | 20              | 47                | 33                |
| ‘Economic Sceptics’                | 54              | 32                | 14                |
| ‘SEC’                              | 15              | 37                | 48                |
| <b>Total of clusters (N = 166)</b> | 22              | 41                | 37                |

## 9.2.2 Perceptions of owners/managers

Similar to the residents' survey, owners/managers were rated on various statements. Table 9.6 shows owners'/managers' perceptions of these statements. The table is divided into sections (I-III) which correspond to statements related to the role of tour operators, the impacts of tourism and future development options. Figure 9.4, based on Table 9.6, illustrates diagrammatically the mean scores for each statement. The numbers on the vertical axis are the statement numbers.

Table 9.6: Responses to tourism statements by owners/managers\*

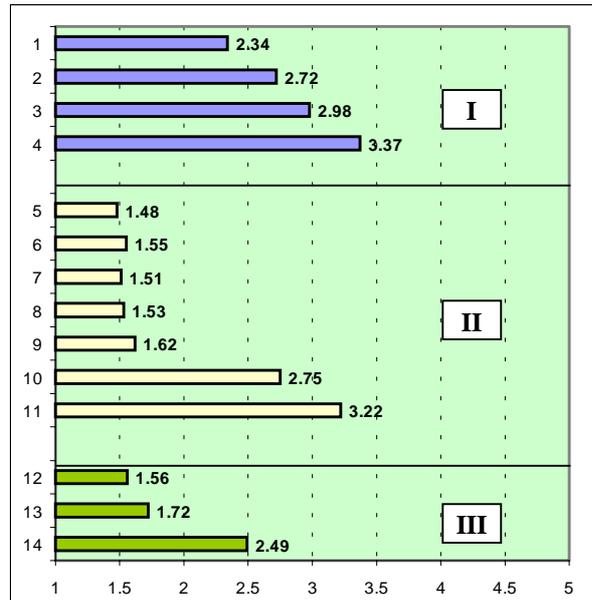
|   | 1* | 2* | 3*  | 4* | 5** | Mean | Std. Deviation |
|---|----|----|-----|----|-----|------|----------------|
|   | %  | %  | %   | %  | %   |      |                |
| <b>I. ROLE OF TOUR OPERATORS</b>  |    |    |     |    |     |      |                |
| 1. How advantageous is the role of tour operators in attracting tourists?                       | 15 | 58 | 7   | 18 | 2   | 2.34 | 1.01           |
| 2. How advantageous is the role of tour operators in improving facilities?                      | 8  | 43 | 19  | 28 | 2   | 2.72 | 1.03           |
| 3. How advantageous is the role of tour operators in influencing excursions and transportation? | 3  | 39 | 20  | 32 | 6   | 2.98 | 1.04           |
| 4. How advantageous is the role of tour operators in determining prices?                        | 4  | 22 | 14  | 53 | 7   | 3.37 | 1.04           |
| <b>II. IMPACT STATEMENTS</b>  |    |    |     |    |     |      |                |
| 5. How advantageous are the impacts of tourism on Greek Government's income?                    | 58 | 39 | 1   | 1  | *** | 1.48 | .68            |
| 6. How advantageous are the impacts of tourism on the Cretan economy?                           | 55 | 42 | *** | 3  |     | 1.51 | .67            |
| 7. How advantageous are the impacts of tourism on employment?                                   | 56 | 39 | 2   | 1  | 1   | 1.53 | .66            |
| 8. How advantageous are the impacts of tourism on the region's economy?                         | 52 | 45 |     | 3  |     | 1.55 | .74            |
| 9. How advantageous are the impacts of tourism on your enterprise?                              | 45 | 50 | 2   | 3  |     | 1.62 | .67            |
| 10. How advantageous are the impacts of tourism on the social life?                             | 5  | 47 | 22  | 21 | 5   | 2.75 | 1.02           |
| 11. How advantageous are the impacts of tourism on the environment?                             | 4  | 24 | 28  | 34 | 10  | 3.22 | 1.03           |
| <b>III. DEVELOPMENT OPTIONS</b>   |    |    |     |    |     |      |                |
| 12. Authorities should encourage higher spending tourists                                       | 50 | 44 | 5   | 1  |     | 1.56 | .62            |
| 13. Authorities should encourage tourists to visit Crete outside the main summer season         | 49 | 39 | 2   | 10 |     | 1.72 | .91            |
| 14. Authorities should encourage greater numbers of tourists                                    | 13 | 53 | 9   | 22 | 3   | 2.49 | 1.08           |

\* Percentages (rows) do not always total 100% due to rounding

\*\* For statements 4,5,8,10, 11, and 25 the Likert Scale ranged from 1 (very advantageous) to 5 (very disadvantageous) and for the remainder from 1 (strongly agree) to 5 (strongly disagree)

\*\*\* Less than 1%.

Figure 9.4: Mean scores of owners/managers ratings



Regarding the statements dealing with the role of tour operators, the vast majority of responses were centralised between advantageous and disadvantageous, while only a small number of owners/managers reached the far ends of the scale. More positive opinions were expressed about the importance of tour operators in attracting foreign tourists to the island, with 73 percent of owners/managers finding them beneficial. This was not unexpected since, as Chapter Four suggested, in the Cretan tourism industry, tour operators have the main responsibility for the attraction of foreign tourists. Next, the role of tour operators in improving facilities was rated less positively with 51 percent of owners/managers finding them advantageous. Regarding the role of tour operators in influencing tourists' excursions and transportation choices, on average responses were very close to the middle of the scale with 42 percent of owners/managers finding them advantageous and 39 percent disadvantageous. The most negative responses were about the role of tour operators in determining prices, with 60 percent of owners/managers giving a score below the mid-point of three. This was not unexpected for the reason that foreign tour operators put fierce pressure on the island's enterprises to keep down prices for their own benefit. Therefore, enterprises, in their attempt to make a profit, have to reduce the costs of production by providing lower quality services. Owners/managers expressed

their dissatisfaction with the pricing policies of tour operators that reduce the profit margins of tourist enterprises and subsequently the quality of provided services.

For the items dealing with the impacts of tourism, responses were on average more positive, with 96 percent or more of owners/managers being positive about the impacts of tourism on their enterprise, on their region's economy, on the Cretan economy, on the creation of income for the Greek Government and on employment opportunities. As a result, since there is a consensus about the significance of these impacts, the standard deviations are at moderate levels. Next, responses about the impacts of tourism on social life were less positive, quite close to the middle of the scale, with 52 percent of owners/managers finding them advantageous. In addition, owners/managers expressed their concern over the environmental impacts of tourism, with 44 percent finding them negative and 28 percent neutral.

The last three statements dealt with the future aims of authorities regarding quantity, spending power and seasonal distribution of tourists. On average, owners/managers expressed their overall dissatisfaction towards the past directions of authorities that led to the attraction of low quality mass tourism and highly concentration of arrivals in time. In future, the vast majority of owners/managers agreed that local authorities should encourage higher spending tourists (94%) and visitation of the island outside the main summer season (88%). A smaller proportion (approximately two thirds) suggested that increasing the number of tourists could be beneficial for the local economy, showing that they are ready to accept greater numbers of tourists under the condition that these tourists will have higher spending power and there will be a lower concentration in time.

In order to identify if any of the three independent variables of the business survey (location, sector and size of AEs) played a significant role in explaining perceptions on the 14 items, ANOVA tests were used.

Size of accommodation establishment appears to play the most significant role in explaining attitudes, as it was a discriminator for most items (six in total). Owners/managers from small-sized AEs were the most negative about the role of tour operators in improving facilities (29% gave a score below the mid-point of three and 17% responded neutrally), although owners/managers from the large establishments were the most positive with slightly less than 90 percent finding them positive. The second distinction between owners/managers from different size AEs was with reference to the role of tour operators in determining prices. Again owners/managers from the larger establishments were the most positive (63% gave a score above the mid-point), compared to 73 percent of owners/managers from medium sized. Hoteliers from large establishments were the most favourable about the impacts of tourism on their enterprise, on the Cretan economy and on employment with 70 percent finding them very advantageous, although 60-70 percent of hoteliers from small and medium establishments found them advantageous. Next, 69 percent of hoteliers from medium-sized establishments found the impacts of tourism on their region's economy very advantageous and the remainder advantageous, although hoteliers from small establishments were less favourable with 63 percent finding them advantageous and 32 percent very advantageous.

Sector of owners/managers' enterprise was a discriminator for five of the 14 items. 52 percent of owners/managers from catering establishments (CEs) and 45 percent from tourist shops were negative about the role of tour operators in improving facilities, although 72 percent of owners/managers from AEs and 53 percent from travel agencies/car rentals (TA/CRs) were positive. With the role of tour operators in attracting tourists, hoteliers were again the most satisfied (94% gave a score above the mid-point), followed by 65 percent of tourist shops and 63 percent of TA/CRs owners/managers, although half of the restaurateurs/barkeepers were dissatisfied. With the role of tour operators in determining prices, the vast majority (77%) of tourist shops owners/managers were dissatisfied, followed by TA/CRs owners/managers (69%), although the proportion of dissatisfied hoteliers and CEs owners/managers was much lower (approximately 50%). With the role of tour operators in influencing excursions

and transportation choices, again hoteliers were the most satisfied (52% gave a score above the mid-point and 24% responded neutrally), although 64 percent of tourist shops owners/managers were dissatisfied. It can be summarised that owners/managers from enterprises that co-operate with tour operators and receive financial benefits from the co-operation were more positive on the items dealing with their role in the island's tourism industry. The last significant association found was for the impacts of tourism on employment, with three-quarters of owners/managers from TA/CRs and 58 percent of hoteliers finding them advantageous, although approximately half of owners/managers from tourist shops and 43 percent from CEs found them advantageous or very advantageous.

Enterprise location was not significant as an explanatory variable of perceptions except for the item dealing with the impacts of tourism on respondents' enterprise. All owners/managers from the least developed tourism area of Chania found the impacts of tourism on their enterprises to be advantageous and more specifically 60 percent very advantageous, although 59 percent of owners/managers from Heraklio responded positive and 12 percent negative. In the other two Prefectures, half of the owners/managers found them advantageous and almost all the remainder very advantageous.

In summary, owners/managers of large AEs favoured more the role of the tour operators in the island's tourism industry and the impacts of tourism on their enterprises. On the other hand, the ratings within different sectors were not so clear. Nevertheless, on average, owners/managers of AEs were the most satisfied with all aspects of the role of tour operators, although CEs keepers were the most dissatisfied with the role of tour operators in improving facilities and attracting tourists, and tourist shops owners/managers were the most dissatisfied with their role in determining prices and influencing excursions and transportation. Location was not a discriminator of owners/managers attitudes.

### 9.2.3 Local authorities officials perceptions

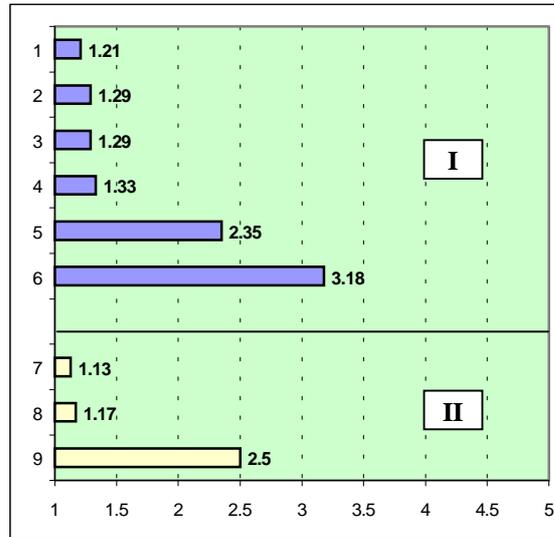
In order to provide an indication of the impacts of tourism in Crete, local authority officials were asked to indicate whether or not tourism had influenced various aspects of development, and to indicate the strength of their perceptions. Responses to these statements are summarised in Table 9.7 and Figure 9.5. Both Table and Figure are divided into two sections: sector I corresponding to tourism impacts and section II corresponding to development options. As shown in Figure 9.5, local authority officials tended to provide answers at the extreme end of the scale (advantageous side) and therefore there is only one statement in the corridor of uncertainty.

**Table 9.7: Responses to tourism statements by local authorities' officers**

|  | 1* | 2* | 3* | 4* | 5* | Mean | Std. Deviation |
|--|----|----|----|----|----|------|----------------|
|  | %  | %  | %  | %  | %  |      |                |
| <b>I. IMPACT STATEMENTS</b>  |    |    |    |    |    |      |                |
| 1. How advantageous are the impacts of tourism on the Cretan economy?                  | 79 | 21 |    |    |    | 1.21 | .41            |
| 2. How advantageous are the impacts of tourism on enterprises?                         | 71 | 29 |    |    |    | 1.29 | .46            |
| 3. How advantageous are the impacts of tourism on Greek Government's income?           | 75 | 21 | 4  |    |    | 1.29 | .55            |
| 4. How advantageous are the impacts of tourism on employment?                          | 67 | 33 |    |    |    | 1.33 | .48            |
| 5. How advantageous are the impacts of tourism on the social life?                     | 9  | 56 | 26 | 9  |    | 2.35 | .78            |
| 6. How advantageous are the impacts of tourism on the environment?                     | 9  | 23 | 18 | 41 | 9  | 3.18 | 1.18           |
| <b>II. DEVELOPMENT OPTIONS</b>   |    |    |    |    |    |      |                |
| 7. Authorities should encourage higher spending tourists                               | 88 | 12 |    |    |    | 1.13 | .34            |
| 8. Authorities should encourage tourists to visit Crete outside the main summer season | 83 | 17 |    |    |    | 1.17 | .38            |
| 9. Authorities should encourage greater numbers of tourists                            | 23 | 41 | 5  | 27 | 5  | 2.50 | 1.26           |

\* Percentages (rows) do not always total 100% due to rounding  
 For statements 1-6 the Likert Scale ranged from 1 (very advantageous) to 5 (very disadvantageous) and for the remainder from 1 (strongly agree) to 5 (strongly disagree).

Figure 9.5: Mean scores of local authority statements



Not surprisingly, all officials believed that tourism has positive impacts to the Cretan economy, enterprises and employment creation, and 96 percent on the Greek Government's income. As a result, the standard deviations for these four statements are very low compared to the ratings of the same statements by residents and owners/managers. Next, perceptions on the impacts of tourism on social life were less positive, although 56 percent of the officials gave a score above the mid-point. Responses about the impacts of tourism on the environment were the most negative, as well as more evenly distributed across the scale, with half of the officials having chosen the disadvantageous side, and 18 percent the middle of the scale. As a result the standard deviation for this variable is the largest among the six impact statements.

Officials were asked about the future options of the local authorities for the number, spending power and seasonal distribution of tourists. All officials supported the encouragement of higher spending tourists and the attraction of tourists outside the main summer season. Therefore, the standard deviations for these statements are very low. Concerning the possibility of an increase in the number of tourists, opinions were more evenly distributed, although 64 percent of officials agreed. As a result, the mean for this variable is closer to the middle of the scale compared to the other two.

The overall conclusions to be drawn from the ratings is that local authority officials perceive tourism as having positive impacts on the economy, government's income, and employment, as having somewhat lesser positive impacts on social life and the most negative (but still not very negative) on the environment. Besides, officials asked for the attraction of higher spending tourists and visitation of the island out of the summer season, although the support for an increase in the number of tourists was lower.

#### 9.2.4 Differences in perceptions among the three study groups

To identify any differences of perceptions between the three study groups, ANOVA tests were used. The ANOVA comparisons revealed both similarities and differences among the three study groups. Table 9.8 delineates the ratings to the eight statements. Differences in ratings are illustrated diagrammatically in Figure 9.6, which is divided into two sections. Section I deals with the impact statements and section II with the development option statements. The ANOVA tests have shown significant associations only for two out of the eight statements.

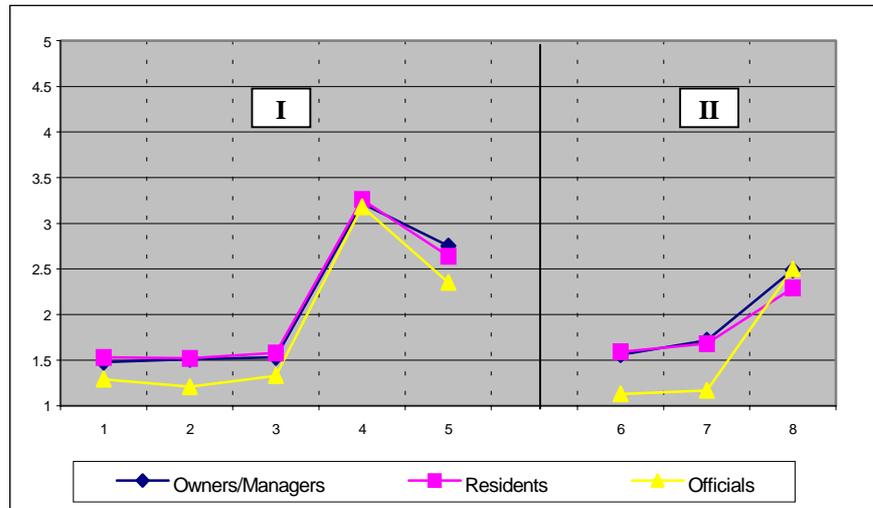
Table 9.8: Ratings of the study groups

|  | MEANS            |                |                 | F<br>RATIO | df                |                  | SIG. <sup>2</sup> |
|--|------------------|----------------|-----------------|------------|-------------------|------------------|-------------------|
|  | O/M <sup>1</sup> | R <sup>1</sup> | LA <sup>1</sup> |            | BETWEEN<br>GROUPS | WITHIN<br>GROUPS |                   |
| <b>I. IMPACT STATEMENTS</b>  |                  |                |                 |            |                   |                  |                   |
| 1. How advantageous are the impacts of tourism on Greek Government's income?           | 1.48             | 1.53           | 1.29            | 1.679      | 2                 | 358              | .188              |
| 2. How advantageous are the impacts of tourism on the Cretan economy?                  | 1.51             | 1.52           | 1.21            | 2.898      | 2                 | 356              | .056              |
| 3. How advantageous are the impacts of tourism on employment?                          | 1.53             | 1.58           | 1.33            | 1.404      | 2                 | 360              | .247              |
| 4. How advantageous are the impacts of tourism on the environment?                     | 3.22             | 3.26           | 3.18            | .106       | 2                 | 349              | .900              |
| 5. How advantageous are the impacts of tourism on the social life?                     | 2.75             | 2.64           | 2.35            | .1742      | 2                 | 357              | .177              |
| <b>II. DEVELOPMENT OPTIONS</b>   |                  |                |                 |            |                   |                  |                   |
| 6. Authorities should encourage higher spending tourists                               | 1.56             | 1.59           | 1.13            | 5.312      | 2                 | 354              | <b>.005</b>       |
| 7. Authorities should encourage tourists to visit Crete outside the main summer season | 1.72             | 1.68           | 1.17            | 4.510      | 2                 | 357              | <b>.012</b>       |
| 8. Authorities should encourage greater numbers of tourists                            | 2.49             | 2.29           | 2.50            | 1.347      | 2                 | 350              | .261              |

<sup>1</sup> O/M = Owners/Managers, R = Residents, LA = Local authorities officials

<sup>2</sup> The values shown in bold indicate a statistical significance at the .05 level of confidence

Figure 9.6: Mean scores of the study groups



For the impact statements, ANOVA tests did not reveal any significant differences between the ratings of the three groups. For the statements suggesting the authorities to encourage tourist visitation outside the main summer season and the encouragement of higher spending tourists, differences were found between local authorities officials and the other two groups with 83 percent of the officials strongly agreeing and the remainder agreeing that the “authorities should encourage tourists to visit Crete outside the main summer season”, although the percentages for the other two groups strongly agreeing were approximately 50 percent and agreeing 40 percent. Similarly, for the attraction of higher spending tourists 88 percent of officials strongly agreed and the remainder agreed, although the percentages for the other two groups were approximately 50 percent and 40 percent respectively.

In summary, the mean scores of the three study groups were very close, indicating a consensus of their ratings. For the impact statements there were no significant differences. For the statements dealing with the development options, officials favoured more strongly the attraction of higher spending tourists and the encouragement of tourists to visit the island outside the main summer season, although these differences lie mostly in the strength of agreement and therefore they may be somewhat meaningless.

### 9.3 RESIDENTS' PERCEPTIONS ON THE ACTIONS OF THE PUBLIC SECTOR

Ryan and Montgomery (1994) identified as a limitation of their study of residents' attitudes the lack of questions "about attitudes in general to the local authority", hence they suggested that "it is not known to what extent the authorities are seen as being generally deficient. The distinction is important. A well-regarded authority with a defect as to its tourism policies can be in a better position than one that is generally seen as poor" (p.367). Therefore, they proposed "future research to take into account general attitudes towards authorities before seeking to elicit attitudes to specific components of planning action" (p.367).

Bearing this in mind, this research extends the current literature by examining not only resident attitudes towards tourism impacts, but also by determining whether or not residents felt that tourism receives enough support for development from public bodies. It subsequently attempted to determine ways in which support was achieved or why it was not. In Crete three tiers of government can be identified that play a major role in tourism development: local authorities, Hellenic National Tourism Organisation (HNTO) and the Greek Government. Therefore, residents were asked to express their opinion on the role of these three bodies in tourism development.

First, residents were asked to indicate whether or not local authorities were doing enough to encourage tourism development. More than half expressed satisfaction with the islands local authorities, although 35 percent felt that not enough is being done and some 13 percent were unable to express an opinion (Table 9.9). Of the seven independent variables and the clusters<sup>2</sup>, only city of residence was significantly associated with the contribution of the local authorities to tourism development. 67 percent of Agios Nikolaos residents were satisfied, although the percentage was much lower (40%) for Heraklio residents (Cramer's  $V = .192$ ). On the other hand, Rethymno had the highest share of residents unable to express

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<sup>2</sup> From now on the three clusters will be considered as an additional independent variable, making the total number of independent variables eight.

an opinion (24%). It can be considered that according to resident opinions, authorities in some areas of the island are more efficient than others.

**Table 9.9: Contribution of local authorities to tourism development**

|                               | Yes<br>%  | No<br>%   | Don't know<br>% |
|-------------------------------|-----------|-----------|-----------------|
| <i>City:</i>                  |           |           |                 |
| Heraklio                      | 40        | 49        | 11              |
| Chania                        | 54        | 36        | 10              |
| Rethymno                      | 50        | 26        | 24              |
| Agios Nikolaos                | 67        | 25        | 8               |
| <b>Total survey (N = 194)</b> | <b>52</b> | <b>35</b> | <b>13</b>       |

As shown in Table 9.10, the percentage of residents satisfied with the actions of the HNTD was quite high (50%), although the percentage of those dissatisfied was lower (26%). Again only one weak significant association (Cramer's  $V = .188$ ) was found with city of residence. Citizens of Rethymno were the most satisfied (60%) followed by Agios Nikolaos (54%) and Heraklio citizens (51%), although only 36 percent of Chania citizens were satisfied and an additional 34 percent undecided.

**Table 9.10: Contribution of the HNTD to tourism development**

|                               | Yes<br>%  | No<br>%   | Don't know<br>% |
|-------------------------------|-----------|-----------|-----------------|
| <i>City:</i>                  |           |           |                 |
| Heraklio                      | 51        | 31        | 18              |
| Chania                        | 36        | 30        | 34              |
| Rethymno                      | 60        | 12        | 28              |
| Agios Nikolaos                | 54        | 33        | 13              |
| <b>Total survey (N = 194)</b> | <b>50</b> | <b>26</b> | <b>24</b>       |

Regarding the contribution of the Greek Government to tourism development, the proportion of those satisfied was 37% and those unable to express an opinion 26 percent. It is evident that frequently residents were not aware of the actions of key public bodies to tourism development, which suggests that more work is needed by the public sector bodies to inform residents of their achievements in tourism development. Moreover, some local authorities, HNTD and governmental bodies contributed more to the tourism development of some areas or were more

successful in informing residents of their achievements towards tourism development.

Among the eight independent variables, three significant associations with residents' perception of the contribution of government to tourism development were found (Table 9.11). These included:

- City (Cramer's  $V = .230$ ). 14 percent of Rethymno citizens were dissatisfied with the contribution of the Greek Government to tourism development, although the proportions of dissatisfied residents from Agios Nikolaos, Heraklio and Chania were much higher (approximately 45%). On average, Agios Nikolaos citizens expressed the highest satisfaction with the contribution of their local authorities to tourism development, Rethymno with the contribution of the HNTD and Rethymno and Chania with the contribution of government. Tsartas et al. (1995) asked Lassithi residents about the role of government in tourism development and found that only 15 percent of residents were dissatisfied. The higher dissatisfaction of Lassithi residents found in this study may be attributed to the fact that when the survey was undertaken the government was proposing a new law where many districts were to be merged in a municipality. This law caused dissent to some residents that blocked the main road that connects the city Agios Nikolaos with the rest of the island. As a result, the only way to go to Agios Nikolaos was by bus. However, for example, for the transfer of tourists from the airport to their hotel, the bus had to stop where the road was blocked and tourists had to walk carrying their luggage for approximately 500 meters in order to get a bus from the other side of the road. As a result, this situation might have influenced negatively the responses of Agios Nikolaos citizens towards the role of government to tourism development.
- Age (Cramer's  $V = .164$ ). 47 percent of older residents were satisfied with the actions of government, 44 percent of the middle-aged were dissatisfied and 34 percent of the young adults were undecided;
- Income (Cramer's  $V = .173$ ). High-income residents were the most dissatisfied (42%) and a lower percentage were undecided (18%), although the

percentages of those dissatisfied and undecided in the low income group were both 33 percent.

**Table 9.11: Contribution of government to tourism development**

|                       | Yes<br>% | No<br>% | Don't know<br>% |
|-----------------------|----------|---------|-----------------|
| <b><i>City:</i></b>   |          |         |                 |
| Heraklio              | 33       | 47      | 20              |
| Chania                | 42       | 44      | 14              |
| Rethymno              | 46       | 14      | 40              |
| Agios Nikolaos        | 26       | 44      | 31              |
| <b><i>Age:</i></b>    |          |         |                 |
| Young-aged            | 36       | 30      | 34              |
| Medium-aged           | 28       | 44      | 28              |
| Old-aged              | 47       | 40      | 13              |
| <b><i>Income:</i></b> |          |         |                 |
| Low-income            | 34       | 33      | 33              |
| High-income           | 41       | 42      | 18              |
| <b>Total survey</b>   | 37       | 37      | 26              |

Residents were next asked to indicate the extent to which the public bodies contribute to tourism growth. Since this was significantly associated with the perceptions of residents among the four cities, crosstabulations were produced to identify the different opinions of the four city residents with the role of public sector bodies.

According to Bacon and Pelley (1993), the local authorities "occupy a complex, central role at the heart of the tourism industry. They act as a catalyst for action by others" (p.A5). Vaughan et al. (1999, p.118) identified the following three roles of local authorities in the local tourism industry: by being the key co-ordinating body for the strategic planning of the local tourism industry; by owning, operating and promoting their own tourist resources and infrastructure; and by promoting their local area as a destination and, by implication, the private sector tourism products and services.

Responses to the way that local authorities contribute to the tourism development of the island are summarised in Table 9.12. As can be seen, residents believed that local authorities have taken actions, such as the provision of infrastructure, e.g. pedestrianisation, roads, water supply and sewage network, suggested more

frequently by the citizens of Heraklio (63% of responses), although the percentages of the other three cities were lower (approximately 50%). Rethymno and Chania citizens reported that their authorities play a significant role in tourism development through advertisement/promotion (approximately 30% of responses). It was suggested that local authorities contribute to tourism development by participating in exhibitions abroad and producing and distributing promotional material. Additionally, it was mentioned that local authorities contribute to tourism development through aesthetics/environmental protection, e.g. green areas and parks and construction of biological systems to purify the liquid sewage thrown in the sea, suggested more by the citizens of Agios Nikolaos (28%). Moreover, other actions were mentioned attracting on average the support of less than 10 percent of responses. Among them it should be noted that Chania citizens claimed that their city's local authorities contribute to tourism development through the provision of services (19%), which was mentioned only by a very small number of residents in the other cities. Services mentioned included: refuse collection and disposal, litter control, public conveniences, general environmental services (food hygiene, condition of shops, air/noise control), street cleaning, markets and fairs. Additionally, 14 percent of Rethymno residents mentioned that their local authorities are responsible for programming and planning activities of other public and private bodies.

**Table 9.12: Ways that the local authorities contribute to tourism development**

|                               | Heraklio<br>% | Chania<br>% | Rethymno<br>% | Agios Nikolaos<br>% | Total<br>% |
|-------------------------------|---------------|-------------|---------------|---------------------|------------|
| Provision of infrastructure   | 63            | 52          | 50            | 52                  | 54         |
| Advertisement/Promotion       | 16            | 29          | 32            | 20                  | 24         |
| Aesthetics/Environmental      | 12            | 14          | 10            | 28                  | 17         |
| Programmes/Plans              | 9             | 10          | 14            | 8                   | 11         |
| Provision of services         | 7             | 19          | 4             | 4                   | 8          |
| Other                         | 8             | 5           | 9             | 4                   | 6          |
| <b>Total responses (N=90)</b> | 115           | 129         | 119           | 116                 | 120        |

Notes: Responses do not add up to 100%, due to multiple answers

In summary all the ways suggested by Vaughan et al. (1999), in which local authorities play a role in tourism development, were mentioned by the residents of the four cities, although with different priorities. In detail, the first priority mentioned was infrastructural provision and the second promotion/advertisement.

Co-ordination of bodies in the strategic planning of the areas was also suggested, but only by a minority of residents, indicating that this way has not attracted the attention of the authorities in the extent that it should.

Concerning the reasons why local authorities do not contribute to tourism development, residents mostly from Agios Nikolaos (55%) and Chania (44% of responses) declared that their local authorities are irresponsible and do not pay enough attention to tourism matters (Table 9.13). In addition, citizens from Heraklio and Rethymno (41% and 31% respectively) reported that their local authorities do not provide sufficient infrastructure, something that was supported only by five percent of Agios Nikolaos and 11 percent of Chania citizens, indicating that authorities of these two cities are more efficient in infrastructural construction than the other two cities. There is a case, mainly in the cities of Heraklio and Rethymno, where many citizens believed that their local authorities play a major role in tourism development through provision of infrastructure, although a significant number of residents in the same cities had exactly the opposite opinion. One explanation for this may be that residents supporting the political party that the authority belongs to, may be posed more favourable compared to residents supporting an opposition party. This subject needs further research.

Several interviewees (14% of total responses) highlighted organisational difficulties, as well as delays in the local authorities undertaking specific planning actions. Chania citizens (22% of responses) complained that their authority did not promote the location sufficiently and called for further promotion to attract more and better quality tourists. This is interrelated with the literature where the Prefecture of Chania had the lowest indexes of development, e.g. number of beds etc, compared to the other three Prefectures. There was also a variety of other reasons, e.g. Heraklio citizens (15% of responses) criticised their local authorities for insufficient investments in tourism development and Chania citizens (17% of responses) for insufficient provision of services, but these reasons were less mentioned than the four reasons cited above.

**Table 9.13: Reasons that the local authorities do not contribute to tourism development**

|  | Heraklio<br>% | Chania<br>% | Rethymno<br>% | Agios<br>Nikolaos<br>% | Total<br>% |
|--|---------------|-------------|---------------|------------------------|------------|
| Do not care/Irresponsible                | 22            | 44          | 31            | 55                     | 35         |
| Insufficient provision of infrastructure | 41            | 11          | 31            | 5                      | 26         |
| Lack of planning/organisation            | 19            | 11          | 15            | 9                      | 14         |
| Insufficient promotion                   | 4             | 22          | 4             | 5                      | 10         |
| Do not invest in tourism                 | 15            | 6           | 4             | 9                      | 9          |
| Insufficient provision of services       | 4             | 17          | 3             | 5                      | 7          |
| Other                                    | 4             | 6           | 12            | 12                     | 9          |
| <b>Total responses (N=70)</b>            | 109           | 117         | 100           | 100                    | 110        |

Note: Responses do not add up to 100%, due to multiple answers.

When residents were asked about how effective the HNTO was in tourism development, there was strong opinion that the HNTO contributes to the advertisement/promotion of their island, as the majority of Heraklio citizens (72% of responses) and Chania and Rethymno citizens (approximately 65%) indicated (Table 9.14). The ways that the HNTO contributes to promotion included participation in exhibitions and the use of printed media, e.g. brochures, newspapers and magazines. It was suggested that the HNTO undertakes international promotion, participates in exhibitions, and runs overseas offices that provide information to tourists. Secondly, Chania and Agios Nikolaos residents (approximately one quarter of responses from both cities) mentioned that the HNTO contribution to tourism development is achieved through the inspection and/or licensing of various types of tourist-related operations, e.g. grading and licensing of hotels, compulsory registration of rented rooms and regulating and licensing of travel agencies, although the support for this by Heraklio and Rethymno citizens was much lower (approximately 8% of responses). Thirdly, it was reported that the HNTO has responsibility for the provision of development incentives, giving opportunities for the establishment of new enterprises and modernisation of existing ones, as Chania citizens (22% of responses) suggested. For example, it was reported that the HNTO is involved in the development and execution of loan schemes, for construction of AEs and other types of facilities. Very often this is achieved by working as an agent for European Community (EC) grants and soft loans. In addition, a minority of residents suggested that the HNTO becomes involved in cultural activities and festivals, the physical planning

of tourism development and environmental protection, and advising on environmental conservation.

**Table 9.14: Ways that the HNTO contributes to tourism development**

|  | Heraklio<br>% | Chania<br>% | Rethymno<br>% | Agios Nikolaos<br>% | Total<br>% |
|--|---------------|-------------|---------------|---------------------|------------|
| Advertisement/promotion                | 72            | 68          | 63            | 50                  | 64         |
| License/Control of tourist enterprises | 8             | 23          | 7             | 25                  | 17         |
| Incentives                             | 8             | 13          | 22            | 6                   | 13         |
| Culture/Festivals                      | 12            | 0           | 6             | 12                  | 7          |
| Environmental protection               | 4             | 3           | 4             | 5                   | 3          |
| Other                                  | 8             | 13          | 8             | 14                  | 10         |
| <b>Total responses (N = 88)</b>        | 112           | 120         | 110           | 112                 | 114        |

Note: Responses do not add up to 100%, due to multiple answers.

Although Middleton (1985) indicates that the role of National Tourism Organisations (NTOs) is mainly to facilitate the physical development of major infrastructural programmes, this is not the case in Crete, according to resident opinions. Residents of the four cities see the major role played by their HNTO in tourism development as one of promotion/advertisement. It is important to note that residents did not pay significant consideration to the role of the HNTO as an educator and vocational trainer of tourist professionals, despite the fact that the HNTO operates hotel and tourist guides schools on the island and organises seminars related to tourism.

Common complaints about the insufficient contribution of the HNTO to tourism development were expressed. A number of residents identified as a major problem bureaucratic and organisational difficulties (ranging from 25% to 36% in the four cities). Although this sounds very simple, delays have emerged in a plan's implementation and the original intention of tourism policy and promotional activities has been distorted, as many Rethymno citizens (50%) declared. Specifically, one resident stated:

Since the HNTO General Secretary changes at least once a year there is no stable tourism policy... It is difficult for somebody to comply with changes in tourism policy made whenever the General Secretary, a government or a minister changes.

HNTO was also criticised for irresponsibility and/or negligence (Table 9.15), reported mostly by Chania citizens (43% of responses), who complained that a huge coastal area in Agii Apostoli owned by the HNTO has been left unexploited, although it could be developed, e.g. as an organised beach, park, area for recreational activities etc. Finally, Agios Nikolaos citizens (17% of responses) blamed the HNTO for insufficient control of tourism enterprises, something that was not even mentioned by citizens from Heraklio and Rethymno. It may be that because in this city there is a high concentration on tourism enterprises the problem is more visible, compared to the other cities.

**Table 9.15: Reasons that the HNTO does not contribute to tourism development**

|  | Heraklio<br>% | Chania<br>% | Rethymno<br>% | Agios Nikolaos<br>% | Total<br>% |
|--|---------------|-------------|---------------|---------------------|------------|
| Bureaucracy/Unorganised                        | 25            | 36          | 25            | 33                  | 30         |
| Wrong tourist<br>policy/promotion              | 31            | 14          | 50            | 25                  | 26         |
| Irresponsibility/Negligence                    | 19            | 43          | 10            | 25                  | 26         |
| Insufficient control of tourism<br>enterprises | 0             | 7           | 0             | 17                  | 7          |
| Insufficient provision of<br>services          | 6             | 7           | 0             | 8                   | 7          |
| Other  | 19            | 11          | 15            | 10                  | 13         |
| <b>Total responses (N = 46)</b>                | 100           | 118         | 100           | 118                 | 109        |

Note: Responses do not add up to 100%, due to multiple answers.

Table 9.16 reveals a substantial degree of variability in the ways that government contributes to tourism development among the four cities. Agios Nikolaos citizens (86% of responses) suggested that the government provides financial help/incentives, although the percentage was much lower for Chania citizens (51% of responses). This was not unexpected since the city of Agios Nikolaos has been treated as a top priority area for the expansion of the tourism industry by most Greek Governments (Tsartas et al., 1995), although in Chania the expansion of the tourism industry has attracted less attention. Additionally, a number of interviewees (40% of Heraklio citizens' responses) mentioned that the government provides infrastructure, something that was suggested only by a small share of Rethymno citizens (5% of responses). As a result, Rethymno citizens consider their local authorities more efficient than the government in the promotion of infrastructure. 15 percent of the total sample stated that the

government has responsibility for advertisement/promotion. A number of other roles were reported, each of which attracted on average the support of less than 10 percent of responses.

**Table 9.16: Ways that the government contributes to tourism development**

|                                | Heraklio<br>% | Chania<br>% | Rethymno<br>% | Agios Nikolaos<br>% | Total<br>% |
|--------------------------------|---------------|-------------|---------------|---------------------|------------|
| Incentives/Financial           | 67            | 51          | 62            | 86                  | 64         |
| Provision of infrastructure    | 40            | 21          | 5             | 14                  | 19         |
| Advertisement/Promotion        | 7             | 16          | 19            | 14                  | 15         |
| Other                          | 10            | 12          | 14            | 15                  | 12         |
| <b>Total responses (N =62)</b> | 124           | 100         | 104           | 129                 | 110        |

Note: Responses do not add up to 100%, due to multiple answers.

As Table 9.17 indicates, a range of government shortcomings was identified. First, residents felt that the government could be more supportive in tourism initiatives, and that currently it is more interested in issues other than tourism. Therefore, there was particular criticism of the government's negligence and/or irresponsibility in tourism matters, suggested more frequently by Chania and Rethymno citizens (50% and 40% respectively), although the percentages were lower for Heraklio and Agios Nikolaos citizens (22% and 19% respectively). This may be attributed to the fact that the government has paid higher attention to the tourism industry in these two areas, as the secondary data suggested. There was also a strong criticism of high taxation and/or insufficient funding suggested more frequently by Heraklio and Agios Nikolaos citizens (39% and 31% respectively). As mentioned, the rates of taxation set by the government are unfair. Financial support for enterprises is rare and even when it exists, it tends to be modest and fickle. Organisational difficulties were reported that very often result in wrong and unstable tourism policy (as 30% of responses recorded by Heraklio citizens suggest). As one resident stated:

All governments experiment with tourism. One government places significance on tourism by establishing a ministry, the next government abolishes this ministry and the third incorporates tourism as a sector within others in a 'hyper-ministry'.

As a result, every new government reviews, and most often changes, the strategies, investment incentives, legislation and staffing of the previous

government, affecting the overall tourism policy of the island. Finally, government was blamed for failing to invest adequately in tourism infrastructure and providing too little grant aid for new tourism projects, something that was suggested more frequently by Rethymno citizens (40%).

**Table 9.17: Reasons that the government does not contribute to tourism development**

|   | Heraklio<br>% | Chania<br>% | Rethymno<br>% | Agios<br>Nikolaos<br>% | Total<br>% |
|---|---------------|-------------|---------------|------------------------|------------|
| Do not care/Irresponsible                       | 22            | 50          | 40            | 19                     | 30         |
| High taxation/Lack of funding                   | 39            | 12          | 20            | 31                     | 28         |
| Unorganised/Wrong or unstable<br>tourism policy | 30            | 19          | 0             | 19                     | 22         |
| Insufficient provision of<br>infrastructure     | 13            | 19          | 40            | 22                     | 19         |
| Other   | 9             | 0           | 0             | 9                      | 6          |
| <b>Total responses (N = 63)</b>                 | 113           | 100         | 100           | 100                    | 105        |

Note: Responses do not add up to 100%, due to multiple answers.

Overall, although some residents recognised the significant role of the public sector in tourism development, mainly in promotion, provision of infrastructure and financial help for the tourism industry, other residents blamed the public sector for irresponsibility, lack of organisation, bureaucracy, misguided tourism policy, as well as insufficient provision of infrastructure. As a result, residents' opinions were mixed, unclear and difficult to interpret, with some residents recognising the contribution of some public sector bodies to tourism development and others criticising them for various deficiencies. It may be the case that residents' opinions may have been influenced by their political preferences and if the party they support has taken power in the municipal or the state elections. One deficiency of this question was the failure to ask respondents about the role of EC in tourism development. Since in the literature it was evident that the EC plays a major role in the tourism development of the island, mainly through financing of various projects, a question like this could give an insight into local perceptions of the EC role.

## 9.4 PROMOTION OF TOURISM IN CRETE

The promotion of a tourist destination is one of the most important elements of the marketing mix. Thus, the local authorities and the business survey asked interviewees to express their opinions on changes or improvements in the way that the island is promoted.

Table 9.18 delineates the proposals of owners/managers for changes in the promotion of tourism by local authorities. According to owners/managers, Crete is not promoted sufficiently abroad and therefore they called for more and better promotion (66%). In particular, owners/managers expressed the opinion that most promotional activities undertaken are ineffective. Apparently if the public sector wants to enhance the island's competitive position and exploit new opportunities, promotion should be used as a vehicle for enhancing the island's image. Consequently, owners/managers suggested that the local authorities should make more effort in the promotion of the island abroad (by the use of printed media, brochures newspapers, magazines and the Internet), and by bringing promotional material right into peoples homes and workplaces through electronic media, such as television, the Internet and videos. It was also proposed that the local authorities should participate more and better in tourist exhibitions abroad. There was criticism that authorities adopt a do-it-yourself attitude to the production of advertising and promotional copy. For example, one hotelier stated:

Some years ago my municipality wanted to produce an English tourist guide. I proposed somebody fluent in English and with the necessary skills to produce effective material. This person asked half a million Greek Drachma in payment. The municipality found this too expensive and found another person who produced the guide more cheaply. The result was that the guide was badly-written, obtruse, and ineffective.

From the above statement it is evident that often resources are wasted on ineffective advertising and promotion of tourism is assigned to unqualified persons.

**Table 9.18: Owners'/managers' opinions on changes/improvements in the promotion of Crete by the local authorities**

|  | No of Respondents | %          |
|--|-------------------|------------|
| More and better promotion                    | 21                | 66         |
| More and better participation in exhibitions | 11                | 34         |
| <b>Total survey</b>                          | <b>32</b>         | <b>100</b> |

Officials suggested various ways to improve the promotion of the island. Since the local authorities were more involved in the promotion of the industry and have obtained expertise, tended to make more specific suggestions, compared to owners/managers. Five out of 10 officials reported deficiencies in the local offices and suggested that the local authorities should become more organised in order to better promote the island (Table 9.19). To achieve this, they asked for more funding and more and better educated and trained staff. Other recommendations included a change in promotional strategy towards a promotion of local products and Cretan diet, as well as tradition, culture and the environment. There were certain historical, cultural and natural attractions, e.g. Preveli, Vai, Samaria gorge, and villages in the mainland, which they felt did not receive the promotional attention they deserve.

**Table 9.19: Officials' opinions on changes/improvements in the promotion of Crete by the local authorities**

|   | No of Respondents |
|---|-------------------|
| Organisation of the local offices         | 5                 |
| Promotion of local products/Cretan diet   | 3                 |
| Promotion of the tradition/culture/nature | 2                 |
| <b>Total</b>                              | <b>10</b>         |

HNTO is the main public body responsible for the promotion of Greek tourism. However, the vast majority of owners/managers believed that its role as a promoter has not been fulfilled. They expressed high dissatisfaction with the HNTO promotional activities and proposed that the HNTO should better promote the island (56% of responses), and should have better and more participation in exhibitions abroad (28% of responses), with increased promotional budget and better trained staff. Some owners/managers suggested that the HNTO should promote several aspects of Cretan life, history and culture (15% of responses),

because they include the competitive advantages of the island. In addition, the HNTO should promote Crete independently from any other Greek region (10% of responses), because of the dissimilarity of resources that Crete has compared to the rest Greece (Table 9.20). There were also complaints about the amount of red tape owners/managers have to overcome when they have to deal with the HNTO and its slow-moving nature. Therefore, they asked the HNTO to become less bureaucratic. In addition, owners/managers said that in order to attract more foreign markets, the establishment of more tourist offices abroad should take place, mainly in countries where there is no Greek tourist office.

**Table 9.20: Owners'/managers' opinions on changes/improvements in the promotion of Crete by the HNTO**

|  | No of Responses | %          |
|--|-----------------|------------|
| More and better promotion                        | 31              | 56         |
| More and better participation in exhibitions     | 15              | 28         |
| Promotion of culture/life style/history          | 8               | 15         |
| Promote Crete independently from the rest Greece | 5               | 10         |
| Establishment of tourism offices abroad          | 2               | 3          |
| Less bureaucratic                                | 2               | 3          |
| <b>Total survey (N = 56)</b>                     | <b>63</b>       | <b>115</b> |

Note: responses do not add up to 100%, due to multiple answers.

Although the HNTO is the most important governmental body for the promotion of tourism abroad, surprisingly not many recommendations were made by officials. Even when suggestions were made, they were different from those made by owners/managers. Specifically, three out of six officials suggested that the HNTO should better organise the tourist offices abroad, mentioning again the need for more funding and staff in the HNTO overseas offices, since their number of staff is limited compared to the number of the HNTO staff in the central office in Athens. Additionally, it was suggested that the HNTO should improve its management/organisation, as well as co-operating better with the private sector towards successful promotional campaigns (Table 9.21).

**Table 9.21: Officials' opinions on changes/improvements in the promotion of Crete by the HNTO**

|                                      | No of Respondents |
|--------------------------------------|-------------------|
| Organisation of the offices abroad   | 3                 |
| Better management/organisation       | 2                 |
| Co-operation with the private sector | 1                 |
| <b>Total</b>                         | <b>6</b>          |

The vast majority of owners/managers did not mention any actions to be undertaken by the government towards the promotion of the island, since they believed that the HNTO and local authorities should be more involved in tourism promotion. However, a small proportion of owners/managers suggested that the government should promote more and better the island and increase its budget for promotional activities (Table 9.22). The government was blamed for not providing enough funding for the HNTO and local authorities to allow them to sufficiently promote the island overseas. Moreover, there was a call for the government to be less bureaucratic and to introduce better co-ordination and collaboration with the public and private sector.

**Table 9.22: Owners'/managers' opinions on changes/improvements in the promotion of Crete by the government**

|                            | No of Respondents | %          |
|----------------------------|-------------------|------------|
| More and better promotion  | 12                | 60         |
| More funding for promotion | 5                 | 25         |
| Other                      | 3                 | 15         |
| <b>Total survey</b>        | <b>20</b>         | <b>100</b> |

Concerning officials' opinions on the promotion of Cretan tourism by the government, three out of seven suggested that the government has allocated insufficient money for the tourism development of the island (Table 9.23). Other actions recommended having attracted the support of one official each, included: promotion of alternative forms of tourism through the development of bicycle tours, bird-watching, horse riding, farm stays, and guided walking tours, the establishment of a company for the promotion of Cretan tourism, support of local authorities' promotional budget and more and better co-operation with the private sector.

**Table 9.23: Officials' opinions on changes/improvements in the promotion of Crete by the government**

|  | No of Respondents |
|--|-------------------|
| More funding   | 3                 |
| Promotion of alternatives forms of tourism                               | 1                 |
| Establishment of a company for promotion/advertisement of Cretan tourism | 1                 |
| Support of the promotional budget of the local authorities               | 1                 |
| Co-operation with the private sector                                     | 1                 |
| <b>Total</b>   | <b>7</b>          |

Owners/managers mentioned a lot of changes/improvements to be made by all public sector bodies. They suggested that all the bodies of the public sector should collaborate in order to promote the island more and better (35%). One salient feature was the call for co-ordination, as well as higher professionalism of all involved in tourism promotion (33%). Criticism was mainly concentrated on the fact that the task of promoting and marketing of the island has been given to staff with limited qualifications, experience or training. Additionally, owners/managers asked for promotion of Crete independently from other Greek regions (15%) (Table 9.24). A number of other actions to be taken by all bodies involved in tourism promotion attracted the support of a small number of owners/managers, including an increase in the public sector's promotional budget and a desire to change the image of Crete from a cheap destination and enhance it by promoting Crete as a destination that has many attractions and facilities to offer to the middle- and high-income market.

**Table 9.24: Owners'/managers' opinions on changes/improvements in the promotion of Crete by all public bodies involved in tourism**

|   | No of Respondents | %          |
|---|-------------------|------------|
| More and better promotion                         | 14                | 35         |
| Better co-ordination/professionalism in promotion | 13                | 33         |
| Promote Crete independently                       | 6                 | 15         |
| More funding                                      | 3                 | 7          |
| Change image of mass tourism destination          | 3                 | 7          |
| Participation in exhibitions                      | 1                 | 2          |
| <b>Total survey</b>                               | <b>40</b>         | <b>100</b> |

Officials asked for changes to be made in the promotion of the island by all the bodies involved in tourism development, similar to the responses of

owners/managers (Table 9.25). Specifically their first two proposals were the same as owners'/managers'. Six officials indicated that much promotional activity appears to lack co-ordination and clear objectives, and therefore, often, confusing messages reach the consumers. A further six indicated that the island needs more and better promotion abroad, through the use of printed and electronic media, such as television, video, newspapers, magazines, and the Internet, as well as better participation in exhibitions. A smaller proportion of officials mentioned the need for a change in the promotional activities towards the promotion of nature, alternative forms of tourism, Cretan tradition and way of life. One official stated that although the public sector and trade associations often produce expensive brochures, their value is diminished by poor distribution. Besides, one official argued that apart from the public sector, the private sector should also provide more and better advertisement, since it receives the most financial benefits from tourism business.

**Table 9.25: Officials' opinions on changes/improvements in the promotion of Crete by all public sector's bodies**

|  | No of Respondents | %          |
|--|-------------------|------------|
| More and better promotion                        | 6                 | 32         |
| Co-ordination/co-operation                       | 6                 | 32         |
| Promotion of nature/Alternative forms of tourism | 3                 | 16         |
| Promotion of the tradition/Way of life           | 3                 | 16         |
| Distributional difficulties                      | 1                 | 5          |
| <b>Total</b>                                     | <b>19</b>         | <b>100</b> |

In summary, the promotion of the island by the public sector is believed to suffer from lack of co-operation and co-ordination. Therefore, there were calls for co-operation of all public bodies towards more and better promotion, an increase of promotional budgets and a move of promotional activities towards culture, tradition and attraction of alternative forms of tourism.

## **9.5 SUPPORT AND ACTIONS FOR FURTHER TOURISM DEVELOPMENT**

The Community's acceptance of tourism development is considered important to the industry's long-term success since; if tourists are met with hostility, their

numbers will decline (Madrigal, 1995; Dogart and Dogart, 1996). Therefore, this section reviews residents' and owners'/managers' support for additional tourism development and specific development directions to be followed. Indeed, respondents were in favour of development, since 80 percent of residents and 87 percent of owners/managers suggested further tourism development. Cramer's V did not identify significant difference for the support of additional tourism development between the two groups.

However, there were some but not many differences between the support of further development within different groups (Table 9.26):

- Clusters (Cramer's V = .192). Not surprisingly a high proportion (89%) of 'Advocates' would like to see further development, although the percentages were lower for the 'Economic Sceptics' (82%), and the lowest for 'SEC' (73%).
- Sectors (Cramer's V = .241). Approximately 96 percent of owners/managers from CEs and TA/CRs were disposed toward further tourism development, although the proportions were lower (approximately 80%) for the other two sectors.

**Table 9.26: Desirability of further tourism development**

|  | Yes<br>% | No<br>% |
|--|----------|---------|
| <b><i>Clusters:</i></b>                |          |         |
| 'Advocates'                            | 89       | 11      |
| 'Economic Sceptics'                    | 82       | 18      |
| 'SEC'                                  | 73       | 27      |
| <b>Total of clusters (N = 166)</b>     | 81       | 19      |
| <b><i>Sectors:</i></b>                 |          |         |
| Accommodation                          | 81       | 19      |
| TA/CRs                                 | 97       | 3       |
| Catering                               | 96       | 4       |
| Tourist shops                          | 79       | 21      |
| <b>Total business survey (N = 146)</b> | 87       | 13      |

An assessment of residents and owners/managers general preferences for future tourism development regarding type of tourists, facilities and actions was made. Table 9.27 shows the types of tourists considered beneficial for the tourism

development of the island. The figures contained in Table 9.27 (as well as in Tables 9.28 and 9.30) pertain only to those owners/managers and residents who supported further development. Although residents and owners/managers supported further development, they expressed their concern at the low expenditure profile of the tourists currently visiting the island. Thus, an increase in such tourists would not be greatly appreciated, but preference should be given to the attraction of better quality/higher spending tourists, as owners/managers (71% of responses) and residents (57% of responses) suggested. Additionally, there was a call for expansion of the tourism season, with 14 percent of residents and 11 percent of owners/managers suggesting the promotion of winter tourism. Next, there was dissatisfaction with the existing mass type of tourism attracted to the island and therefore residents and owners/managers (10% of responses for both) asked for the development of alternative or environmental-friendly forms of tourism. Some residents (11% of responses) and owners/managers (14%) did not have any preference, but suggested that all kinds of tourism are welcomed and beneficial for the island. Other types of tourism mentioned by a minority of respondents included: conference/incentive tourism, cultural tourism, agro-tourism, mountaineer, adventure, religious, athletic and domestic tourism.

**Table 9.27: Types of tourists beneficial for Crete**

|                                | Residents<br>(N = 149)<br>% | Business<br>(N = 125)<br>% |
|--------------------------------|-----------------------------|----------------------------|
| Better quality/Higher spending | 57                          | 71                         |
| Winter                         | 14                          | 11                         |
| All types                      | 11                          | 14                         |
| Alternative/environmental      | 10                          | 10                         |
| Conference/incentive           | 3                           | 7                          |
| Cultural                       | 4                           | 6                          |
| Other                          | 8                           | 13                         |
| Total survey                   | 107                         | 131                        |

Note: responses do not add up to 100%, due to multiple answers.

In summary, there were not many differences among the two community groups for the type of tourists they considered beneficial for the island, although the demand for better quality/higher spending tourists was higher for owners/managers. Apparently people that work in the tourism industry are more aware of the quality/spending power of existing tourists.

Respondents considered the creation of more tourist facilities essential for the further tourism development of the island. The most significant reply, attracting the support of 57 percent of owners/managers and 26 percent of residents, was the need for the creation of more outdoor and indoor sport/leisure/recreation facilities, especially for the attraction of high- and medium-class tourists (Table 9.28). Facilities mostly mentioned were golf courses, athletic centres, water and marine parks, leisure complexes and casinos. Other facilities included the creation of more and better quality lodging and entertainment enterprises (25% of residents and 20% of owners/managers responses), such as better quality AEs, bar, discos and night-clubs. Other respondents preferred the establishment of small size enterprises for the reason that they create higher linkages with the local economy (approximately 14% of responses from both groups). There was also a call from both owners/managers and residents (22% of responses) for environmentally-friendly facilities, such as parks, facilities for alternative forms of tourism, bird watching and eco-tourism activities. A minority of respondents mentioned other types of facilities, such as conference centres and traditional/cultural facilities (e.g. theatres, art/exhibition centers and halls for festivals, music and folklore dance performances). A small number of respondents, although they accepted further development, did not desire additional facilities but called for the improvement of existing ones, suggesting that additional facilities could give rise to environmental problems, with immediate adverse consequences.

**Table 9.28: Types of tourism facilities beneficial for Crete**

|  | Residents<br>(N = 124)<br>% | Business<br>(N = 108)<br>% |
|--|-----------------------------|----------------------------|
| <b>More outdoor and indoor sport/leisure/recreation facilities</b> | 26                          | 57                         |
| <b>Better quality/sufficient number of tourism enterprises</b>     | 25                          | 20                         |
| <b>Infrastructural / Environmental</b>                             | 22                          | 22                         |
| <b>Small enterprises</b>   | 13                          | 15                         |
| <b>Traditional/cultural</b>  | 8                           | 9                          |
| <b>None/ Modernisation of existing</b>                             | 6                           | 5                          |
| <b>Conference facilities</b>                                       | 4                           | 3                          |
| <b>Other</b>   | 9                           | 1                          |
| <b>Total survey</b>  | 113                         | 135                        |

Note: responses do not add up to 100%, due to multiple answers.

In summary, both owners/managers and residents called for the diversification of the tourism product through the provision of more outdoor and indoor sport/leisure/recreation facilities, better quality enterprises, traditional, cultural, as well as facilities with respect to the environment. Not many differences were evident within the two community groups with the exception that the demand for outdoor and indoor sport/leisure/recreation facilities was more than double for owners/managers compared to residents. Again it may be the case that the representatives of the tourism industry may be more aware of the deficiencies of the island's tourism product.

Local authorities' officials were also asked to express their opinions about the needs of the island for additional or improvement of existing facilities and to specify which body of the public sector should be involved in the construction and/or improvement of these facilities. However, officials did not have a clear mind of which body should be responsible, because as they mentioned everybody should work towards the improvement of the islands tourism industry. Therefore, no allocation of responsibilities was made.

As Table 9.29 shows, the vast majority of officials (19 out of 25) suggested that the island needs more infrastructural facilities, such as marinas, airports, roads and car parks. 15 officials suggested the improvement of existing facilities with the main criticism focused on water and electricity supply, drainage, telecommunications, ports, airports, road networks and the need for improved local public transport system with more bus services during the tourist season, and better co-ordination of public transport. 10 officials declared the need for more and varied outdoor and indoor sport/leisure/recreation facilities to attract tourists, mainly in the off-season period. Facilities suggested included: casinos, golf courses, mountain trails, mountain and fishing shelters, sport centres and facilities for winter sports. 10 officials expressed the need for facilities that will respect, enhance and protect the natural physical resources, e.g. trails and signing of national parks and biological cleaning of seas. Additionally, recommendations attracting the support of four or less officials included: reclamation and restoration of archaeological sites, traditional buildings and villages, establishment of more

museums, construction of conference centres and creation of facilities for alternative forms of tourism.

**Table 9.29: Additional facilities or improvements of existing proposed by officials**

|   | No of Responses | %          |
|---|-----------------|------------|
| Infrastructure  | 19              | 76         |
| Improvement of existing   | 15              | 60         |
| Outdoor and indoor sport/leisure/recreation facilities                              | 10              | 40         |
| Protection of the environment   | 10              | 40         |
| Reclamation/restoration of archaeological sites, traditional buildings and villages | 4               | 16         |
| Conference centres  | 3               | 12         |
| Facilities for alternative forms of tourism   | 3               | 12         |
| Other   | 5               | 20         |
| <b>Total (N = 25)</b>   | <b>69</b>       | <b>276</b> |

Note: responses do not add up to 100%, due to multiple answers.

In summary, officials paid more attention to the provision of infrastructural facilities compared to the other two community groups. On the other hand, owners/managers were more concerned with the construction of more outdoor and indoor sport/leisure/recreation facilities. However, since the question was worded differently, more appropriate for each group, it is difficult to make any conclusions.

Owners/managers and residents also noted a number of actions essential for further tourism development (Table 9.30), mostly the creation of more and better infrastructure (40% of owners'/managers' and 31% of residents' responses) and the provision of better quality services (31% of owners'/managers' and 15% of residents' responses). Services mentioned included: police control, tourist information centres, airport services, health and cleanliness. The third most significant action considered was environmental protection and management (21% of residents' and 14% of owners'/managers' responses), through urban planning control, environmental auditing and Environmental Impact Assessments (EIAs) in tourist projects. It was suggested that the absence of strict planning controls for various types of developments has resulted in severe environmental problems in many resorts of the island, as short-term private investors' interest often prevails over longer-term common interests. Surprisingly, the proportion of

residents calling for more and/or better promotion of the island was higher (26%) than owners/managers (6%). Owners/managers (10% of responses) called for better attitudes towards tourists and/or less exploitation of tourists through education and awareness campaigns for the local population, although a higher share of residents (10% of responses) called for better planning, as well as co-ordination between relevant public and private activities. Actions attracting the support of less than 10 percent of responses were also mentioned. As owners/managers of medium and small-sized tourism enterprises mentioned, the public sector has provided incentives for large enterprises, while smaller enterprises have been left without any support. Therefore, some asked for a program of financial incentives to assist the modernisation and upgrading of small tourist enterprises. Other actions proposed included: cultural activities/restoration of traditional buildings, training/education, better control of tourist enterprises, lengthening of the tourism season, prohibition of building construction in saturated areas, easing visa issue, attraction of new markets and development of the south-west part of the island.

**Table 9.30: Actions for further tourism development**

|   | <b>Residents<br/>(N = 115)<br/>%</b> | <b>Business<br/>(N =80)<br/>%</b> |
|---|--------------------------------------|-----------------------------------|
| <b>More and better infrastructure</b>                               | 31                                   | 40                                |
| <b>Better quality services</b>                                      | 15                                   | 31                                |
| <b>Protection of the environment</b>                                | 21                                   | 14                                |
| <b>Advertisement/Promotion</b>                                      | 26                                   | 6                                 |
| <b>Better attitude/less exploitation of tourists</b>                | 4                                    | 10                                |
| <b>Better planning/Co-ordination/<br/>Organisation</b>              | 10                                   | 3                                 |
| <b>Cultural activities/Restoration of traditional<br/>buildings</b> | 8                                    | 3                                 |
| <b>More incentives</b>  | 4                                    | 7                                 |
| <b>Training/education</b>   | 4                                    | 6                                 |
| <b>More and better control of tourist enterprises</b>               | 5                                    | 5                                 |
| <b>Other</b>  | 6                                    | 4                                 |
| <b>Total survey</b>   | <b>134</b>                           | <b>129</b>                        |

Note: responses do not add up to 100%, due to multiple answers.

In short, the four main actions for further tourism development proposed by residents and owners/managers were more and better infrastructure, better quality of services, protection of the environment and advertisement/promotion. Owners/managers were primarily concerned with the improvement of services

compared to residents. Again it may be the case that owners/managers that are involved in tourism activities are more aware of the deficiencies of the tourism product. Since the percentage of residents asking for more promotion and advertisement is much higher than for owners/managers. From first sight it might be supposed that people not 'involved' in the industry might be more aware of some of its problems. However, this may not be the case since in the business survey there was a question asking for changes and improvements to be undertaken by the public sector towards tourism promotion, and many owners/managers might have thought that they had covered this topic earlier and did not want to repeat themselves.

In conclusion, the vast majority of respondents supported further tourism development, in particular, more infrastructural, environmentally-friendly and outdoor and indoor sport/leisure/recreation facilities, better provision of services, protection of the environment, better quality, well-organised tourist enterprises and the attraction of better quality tourists.

Some opinions were expressed about the elimination of development (from 13% of owners/managers and 20% of residents) as Table 9.31 indicates. Three issues were mentioned. Firstly, an overwhelming percentage of owners/managers (82% of responses) reported that the island is already saturated and/or well developed, although the share of residents was much lower (31% of responses). This may be attributed to the fact that owners/managers spend a lot of their time in places where there is high concentration of tourism activity, the areas where tourism businesses are located, whereas many of residents live in areas with lower tourist activity. As a result, owners/managers may be more aware for the extent of the overdevelopment problem than residents. Secondly, a high proportion of residents (46% of responses) suggested that through further tourism development there would be destruction of the society/culture. This suggests that residents paid more attention to the socio-cultural effects of tourism than the business sector. Both groups suggested that more tourism development might further pollute the environment (approximately 18% of responses). In the words of one tourist shop owner:

The city of Agios Nikolaos has a marina and a small port. Both of them are enough for the needs of a small resort city, like Agios Nikolaos. For the transportation of tourists, the local population and the importation/exportation of products there is one ferry connecting the city with Pireas (the port of Athens). Currently, there are some plans for extension of the port so as to give the opportunity to more ferries and cruisers to enter the port. The city attracts hundreds of tourists every year. The sea is already polluted. Although the extension of the port and the grounding of more ferries may bring short-term economic benefits, it will result in further marine pollution that may discourage tourists from visiting the location. As a result, there is a movement among citizens to stop any extension of the port.

**Table 9.31: Reasons for no further development of the island**

|   | <b>Residents<br/>(N = 39)<br/>%</b> | <b>Business<br/>(N =17)<br/>%</b> |
|---|-------------------------------------|-----------------------------------|
| <b>Already saturated/ over developed</b>  | 31                                  | 82                                |
| <b>Destruction of the society/culture</b> | 46                                  | 12                                |
| <b>Environmental degradation</b>          | 17                                  | 18                                |
| <b>Other</b>                              | 14                                  | 7                                 |
| <b>Total survey</b>                       | 108                                 | 119                               |

Note: responses do not add up to 100%, due to multiple answers.

In summary, from the above responses it is evident that residents expressed a higher concern about the negative effects of tourism on society and/or culture, compared to owners/managers that their major assertion for restriction of tourism development was an already well developed tourism industry.

## 9.6 MAJOR ACTION FOR PLANNING TOURISM DEVELOPMENT

Following on from the problems associated with tourism, the last question provided an opportunity for owners/managers and local authorities officials to suggest the most essential action to be undertaken for planning the island's tourism development (Table 9.32). Not surprisingly, the majority of the responses correspond closely with views already expressed in other questions.

The provision of infrastructure was the main step that according to 40 percent of owner/managers should be taken for planning tourism development. Other actions included: the provision of better quality services (10%) and environmental protection and management (9%), to reduce adverse problems, such as traffic

congestion, noise pollution, aesthetic degradation, overbuilding and illegal building etc. Other action mentioned was the control and modernisation of tourism enterprises (8%), so as to provide better facilities and services and to attract higher quality tourists. Six percent of owners/managers asked for the maintenance of the Cretan tradition and/or culture that are considered the island's competitive advantages. There was a call for lengthening of the tourism season, as well as the attraction of better quality tourists (5%). Better education/training of all involved in the island's tourism industry is needed to address most of the problems faced by the island's tourism industry, according to five percent of owners/managers. In addition to these views a number of other actions were mentioned each of which attracted the support of a minority of owners/managers, including further development of the under-developed south-west coast, a stable tourism policy, control of the informal accommodation sector (parahoteleria) and prohibition of further hotel construction, less bureaucracy and more organisation of the public sector. As one owner commented, a high amount of patience is required when handling public sector bureaucracy, restrictions, legislation and regulations and he asked for immediate action to eliminate this problem.

**Table 9.32: Major action proposed by owners/managers for planning tourism development**

|   | No of respondents | %          |
|---|-------------------|------------|
| Provision of infrastructure/improvement of existing       | 57                | 40         |
| Provision of better quality services                      | 14                | 10         |
| Environmental management and protection                   | 13                | 9          |
| Control/modernisation of tourism enterprises              | 12                | 8          |
| Maintenance of tradition/cultural events                  | 9                 | 6          |
| Education/training  | 7                 | 5          |
| Attraction of better quality tourists/extension of season | 7                 | 5          |
| Other   | 25                | 17         |
| <b>Total survey</b>                                       | <b>144</b>        | <b>100</b> |

Officials indicated three main areas of greatest concern (Table 9.33). Eight officials considered essential the construction and maintenance of infrastructure and tourism superstructure by the public sector, together with the provision of incentives to the private sector towards the construction of infrastructure. Next, four officials called for the protection of the environment through urban and coastal planning. Thirdly, three officials suggested the attraction of alternative

forms of tourism together with the extension of the tourism season. In addition, a number of other actions were suggested each of which attracted the support of two or less officials, such as calls for a detailed investigation of the problems resulting from tourism development, so as to design a master plan for the island's tourism development, prohibition of more hotel construction apart from high class hotels, improvement of services, promotional campaign of Cretan tourism abroad, enforcement of controls on tourist enterprises/entrepreneurs, training/education of all involved in the tourism industry and co-operation between the public and private sector. To conclude, one official from a trade association stated:

Too much attention is paid to tourists instead of local community perceptions. Therefore plans are mainly in favour of the incoming tourists and do not seem to help the local residents' life... Unless the local community is consulted and their needs and expectations considered, the future development of the island's tourism industry will be successful.

From the above statement, it is clear that the local community is important for the success of the island's tourism development and therefore there is a need to incorporate the local community's needs and desires in the development and planning process. Although might one consider that the conceptual task of proposing planning strategies would be difficult for many respondents, it is noteworthy that the response rates to this question for both owners/managers and officials were very high. This may be attributed to the interest of both community groups in tourism.

**Table 9.33: Most essential action proposed by officials for planning tourism development**

|  | No of Respondents | %          |
|--|-------------------|------------|
| Provision of infrastructure/improvement of existing      | 8                 | 32         |
| Environmental protection/urban and coastal planning      | 4                 | 16         |
| Alternative forms of tourism/extension of tourism season | 3                 | 12         |
| Attraction of higher quality tourists/new markets        | 2                 | 8          |
| Other  | 8                 | 32         |
| <b>Total</b>   | <b>25</b>         | <b>100</b> |

In summary, the first essential action for tourism development for both groups was considered the provision of infrastructure and/or improvement of existing

infrastructure. Officials paid more attention to environmental protection, although owners/managers considered more essential the provision of better quality services, something suggested by only one official.

## **9.7 CONCLUSION**

The above analysis of the Cretan community's views of tourism has revealed that, despite some negative aspects, the overall impacts are generally felt to be positive and promising for the future. The local community appreciates the value of the tourism industry for their island's welfare, that tourism's presence is important to the local economy and the destination's capacity to absorb tourism has not apparently been breached. Many respondents welcomed an increase in the number of tourists, although most qualified their desire to see more tourists with the rider that it should be accomplished by extending the season and attracting higher spending/better quality tourists. Generally, there was an acceptance of further tourism development, although some concern was expressed about the negative impacts of tourism mainly on the environment. Dissatisfaction was identified with the actions of the public sector, mainly central government.

When the study groups were asked to outline their own planning proposals for tourism development, a considerable number formulated proposals for the optimisation of the tourism sector performance including improvement of current tourist infrastructure and facilities enhancement of the provision of services, environment protection and respect for culture and tradition. Further proposals included: more and better promotional activities, to provide better information and particularly to upgrade the image of Crete, the exploitation of new areas of the tourist market, and calls for the public sector to become more organised and responsible, as well as less bureaucratic.

Among the benefits of tourism development cited by the respondents, economic advantages dominate the perceptions of the three study groups, including employment creation, support of the local economy and generation of income for locals and the government. The social impacts of tourism were considered

beneficial by the majority of respondents although a minority mentioned disadvantages related to the weakening of social values and the commercialisation of relationships between the local population and incoming tourists. Additionally, the impacts of tourism on the environment were seen more negative, although officials were more eager for the attraction of tourists outside the summer season and the encouragement of higher spending tourists.

In summary, respondents exhibited a great deal of confidence regarding the ability of the island to become a more successful tourism destination, but showed a need for investments in infrastructure and sport/leisure/recreation facilities for greater tourism satisfaction although emphasis was given to the environmental protection of the island. Thus, in order for the public sector to create additional facilities without any environmental degradation, conscious planning is necessary.

The next chapter will discuss the research findings and the literature, in order for the final chapter to provide conclusions and recommendations for the development and planning process of the island.