

## DRAMATIC CHANGES IN THE CONTINUOUSLY EVOLVING TOURIST DESTINATIONS: THE CASE OF PARALIA IN PIERIA

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*This paper examines the evolution of 'Paralia' as a key mass tourism destination in northern Greece. The paper analyses the changes which are brought to a destination as a result of its main markets' current socio-economic situation. Thus, it draws conclusions about the vulnerability of destinations, and how trends in key markets can move destinations to the various stages of the so-called Destination's Life Cycle. The primary data are derived from a questionnaire survey addressed to citizens. The results of the survey seem to verify previous analyses about the area. Local people tend to compromise with the current situation. At the end, courses of action are suggested which could help the destination to move away from insecurity and stagnation. Proposals based on the outline of the destination's strengths and weaknesses, opportunities and threats include the organisation of special events throughout the year and incentives for the attraction of residents from neighbouring urban centres.*

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### INTRODUCTION

Greece's position on the edge of the Balkan Peninsula ensures that, due to their proximity, Balkan countries can constitute Greece's main tourism markets. Accessibility is a determining factor regarding the potential performance of a destination, whatever the spatial entity may be. For example, amongst other factors, the fact that France is so close to major European outbound markets determines its prominent position as a tourist destination.



In the context of northern Greece, tourism development is mainly concentrated in the coastal areas of central Macedonia. The disorganised character of the region's tourism development is mainly due to the fact that it was based on small tour operators and single travellers. Paralia is located near to Mount Olympus and it is one of the top destinations of northern Greece. On a summer's day, the destination hosts more than 50,000 tourists. The tourists' profile is 20 to 30 years old and low- to medium-income bracket. Tourism demand for Paralia is generated mainly in the nearby Balkan countries, such as Romania, Bulgaria, FYROM, and Serbia. The total mix is enriched with Hungarians, Czechs, Russians, Poles, Germans and Austrians.

Paralia is very close to Katerini, one of the largest cities in northern Greece and one of the most dynamic, due to the fact that it houses a concentration of all those factors mentioned by Gospodini (2005: 145), which would enable its further development. Katerini is close to Thessaloniki (69 kilometres), it is very close to tourist destinations such as Paralia, and it is aligned with the main transportation systems of Greece. Actually, Katerini and Paralia have complementary functions and act as a dipole. It is quite extraordinary that the populations of Paralia and Katerini tend to be equal during the high season in summer, while throughout the rest of the year the difference is tremendous. That kind of relationship is quite peculiar to the Greek spatial system. Tourism development in the area of Paralia obviously benefits the city of Katerini, which is the commercial centre of the wider area – this follows the general observation made by Cooper et al. (1993/2004).

*Paralia can be characterised as “trapped” and the main aim of this paper is to explore that “trap”.* The “trap” has several dimensions and the low quality of the built environment is one such. Intensive hotel and apartment block development which took place in previous years has caused several problems. Urbanisation seems to be the key issue. Erosion of beaches is another major issue as well, and the latter plays an important role in local politics due to the significance of beaches as being the one and only tourist resource. As is pointed out by many inhabitants of the area, Paralia is trapped into targeting specific groups of the global tourist demand due to the low quality supply it has to offer. The possibility of the place being upgraded in order to attract higher income tourists is small, due to the fact that there have been no significant capital investments by major tour operators such as has occurred in other parts of the Mediterranean, like Majorca, Crete, etc.

A survey based on questionnaires was conducted in order to acquire the citizens' point of view concerning the situation in Paralia. The main

hypothesis to be tested is if local people “feel” the trap and how do they react to it. Also, a related question concerns the main reason why nothing happens to help the destination to move away from the “trap”. The final aim of this research paper is to outline policy measures which could provide solutions to several issues which constitute the “trap” in which this destination is caught.

## **TOURISM DEVELOPMENT IN GREECE**

In the context of global tourism, it can be said that the future seems quite promising in the long run. Several reasons are relevant here: first of all, the fact that disposable income will normally be increased; secondly, tourist activities will be promoted through the influx of capital; and thirdly, tourism development will be the key to economic development for various regions throughout the world.

The type of tourism that Greece has developed over the last few decades has been based on a clear image of the sea, sun, sand and sex (4S). Greece, however, has not solved many of its problems in the context of tourism development. Those problems now seem to have started having an influence on the performance of the Greek tourist industry. According to Lagos (2003: 326), the most important problems are:

- The Greek tourist product is not differentiated from that of other Mediterranean countries. Its competitiveness for a long period of time was based solely on the reduction of prices.
- The sole dependence of the Greek tourist industry on a specific model of tourism development has led to the total dominance of the tour operators, who determine almost everything connected with the context of tourism development in Greece. According to Lagos (2003: 327), the fact that hotels regularly operate with occupancy levels of 60%, is partly due to the above-mentioned fact. Furthermore, the increase in beds which comes with the creation of new resorts has not been absorbed by a parallel increase in demand.
- Seasonality is a structural problem of Greek tourism. The mass tourism model is focused only on the summer period. That is why Greece has one of the shortest tourist seasons among Mediterranean destinations.

- The fact is that tourism development is exclusively concentrated in specific spots. Even in the context of the same municipality, there are areas which are excessively developed and others which are not.

Some structural problems of the Greek state have also resulted in the absence of efficient mechanisms (spatial planning, human resource specialisation) which would ensure appropriate tourism development. The model of tourism development in Greece is mainly the same throughout the country. Various factors, however, have led to a slightly different model of development in each region. The regions of Greece can be categorised based on how developed they are in tourist terms. It can be said that the following regions are the ones where tourism is well developed:

- Southern Aegean
- Northern Aegean
- Peloponnesus
- Crete
- The Ionian
- Attica
- Thessaly
- Sterea Ellada
- Central Macedonia

In northern Greece, tourism was mainly developed in the region of central Macedonia. The type of tourism development in that region is, according to Lagos (2003: 328), the disorganised kind, due to the fact that tourist activity has flourished in a sporadic way among coastal villages of the region. The existence of no big developments (beyond a few) has deterred big tour operators from Western Europe, and demand is restricted to small tour operators or independent tourists from neighbouring Balkan countries, or from the Greek mainland.

## **NORTHERN GREECE AND PIERIA AS TOURIST DESTINATIONS**

Northern Greece is a uniform piece of land that lies on the southern side of the Balkan Peninsula. It mainly consists of four regions (Eastern Macedonia and Thrace, Central Macedonia, Western Macedonia and Epirus). The size of the area is substantial (52,000 square kilometres) and it represents almost 40% of the Greek land mass. The population of northern Greece is almost three million, representing one third of the total

Greek population. Among the four regions, the region of Central Macedonia is the most populous. Gross Domestic Product per capita varies from region to region in Northern Greece. In general, it is equal to, or lower than, the national average. Prosperity indices are rather lower than the national average. According to Psycharis, in 2001 the Gross Domestic Product in Central Macedonia was around 70% of the European level (2004: 74).

As far as tourist activity is concerned, one has to look at the connection the area has with outbound tourism-generating areas. Northern Greece has ten road links to the surrounding Balkan countries. Evzonoi and Promahon are the main ones. It also has five railway links. Only one of them can be characterised as a major link. As far as ports are concerned, Northern Greece has three ports but none of them contribute significantly to the transfer of tourists into the area. Northern Greece is equipped with seven airports but only two of them transfer foreign tourists into the area. Northern Greece generally hosts 20% to 25% of the total number of incoming tourists in Greece. Total bed capacity in northern Greece exceeds 100,000. Halkidiki is the most well-established destination in the region, followed by Pieria (Zografos, 1999: 42).

Pieria is a part of the Central Macedonia region; it lies south of Thessaloniki and is a coastal area. The prefecture has natural borders: the Aegean Sea, the Pierian Mountains and Mount Olympus. Mount Olympus was the first area to be declared a National Park in 1932 and it is also a world heritage site. Pieria is generally one of the greenest parts of Greece and has lots of forests and picturesque countryside. The extended coastline is quite attractive. At the foot of Mt. Olympus, the ruins of ancient Dion form one of the most interesting archaeological sites in Greece. According to Petrakos, in terms of prosperity Pieria is rated as 25th among the prefectures of Greece (2004: 13).

Tourism is an activity which is significantly developed: foreign tourists comprise 70% of the total tourist figures. In this way, Pieria is considered to be a highly-developed area in tourist terms, joining areas such as the island of Cephalonia (Spilanis, 2000: 166). As well as mass tourism from abroad, several forms of tourism are being developed, with second home development playing a key role in the growth of the local economy. The easy accessibility of nearby urban centres enables another form of tourism to flourish—that of daytrips, school excursions, etc. Total accommodation provision consists of forms of supply beyond hotels and second homes. The number of organised camp sites, hostels, etc. is equally significant.

Over recent years, a major effort by the Greek government, using EC cohesion funds, has been made to redistribute Greek tourist activities in terms of time and space. At a local level, those policies have led to the development of the Elatohori ski resort. In that way, tourist accommodation has started being developed in the interior of Pieria.

Katerini, located in the geographical centre of Pieria is quite a dynamic city in terms of the Greek urban system. Its population increased by 300% during the period 1910-2000. Olympic Beach, a coastal resort similar to Paralia, belongs to the Municipality of Katerini. Beyond Olympic Beach the city hosts only four small hotels.

## **THE AREA OF PARALIA IN NORTHERN GREECE**

### **Characteristics related to tourism**

Paralia is a seaside area, (its name in Greek means “beach”) that is located in northern Greece. Paralia lies on the Thermaikos Gulf, which is part of the Aegean Sea, to its north-western side. Paralia, as a part of the Pieria prefecture, lies on the eastern side of the gulf, while on the other side is the peninsula of Halkidiki. Thessaloniki, a major port of the Balkan Peninsula, is located in the cove of the gulf.

The settlement of Paralia lies seven kilometres away from Katerini. Interconnection between Katerini and Paralia is facilitated by a dual carriageway, which is necessary due to the high traffic levels during summer. Situated between Katerini and Paralia one finds the National Road of Greece, the Greek main railway route and the villages of Peristasis and Kallithea, which together with Paralia comprise the Municipality of Paralia. The municipal borough of Paralia has 1,000 registered inhabitants. During early August weekends, the population of Paralia exceeds 50,000, without taking day-trippers into account. Free plots facing the aforementioned motorway are being transformed rapidly into commercial spaces, also targeting Balkan tourists-buyers.

Paralia has daily connections to Katerini thanks to 60 local bus departures. “Makedonia” airport in Thessaloniki is 80 kilometres away (one hour by car), while the Katerini railway station is five kilometres away. Paralia soon became the main tourist resort of Pieria and one of the top resorts of northern Greece. In 1999, in the context of the reorganisation of Greek local administration, the village of Paralia was unified with the two villages which lie between Paralia and the urban area of Katerini. The new municipality which was formed was named

“Municipality of Paralia’. The new municipality’s economy is related both to tourism and agriculture. Kallithea lies only two kilometres away from Paralia, but the differences are huge.

Paralia is full of small hotels and cheap apartment buildings, while the area of Kallithea consists of the private residences of its inhabitants, who are mainly farmers. In recent years, the lack of free plots in Paralia has led many potential residents to buy homes in Kallithea. Paralia as a destination brings together all the faults and misconceptions of Greek tourism policies. As a spatial entity, it faces all those issues which have affected the mass tourism resorts of the Spanish Costas. According to Coccosis and Tsartas (2001: 213), tourism development in the Costa Brava was mainly implemented by the private sector, without any programme, with the subsequent phenomenon of speculation in land prices. The creation of a low quality product led to the establishment of low prices and the targeting of low income tourists.

The continuous development of the 1970s and 1980s stopped with the beginning of the crisis in the former Yugoslavia, as the destination lost its main markets. For sure, before the crisis in the former Yugoslavia, the destination was moving continuously on the upward side of Butler’s diagram of the tourist destination life cycle (Butler, 1980). The loss of its key markets led the destination to turn to new markets which would respond to the type of product the area offered. That product’s main characteristic was its predominantly low price. One can gain an insight into the structure of the local hotel industry from the fact that the biggest hotel in the area has less than 100 beds.

## **Historical Evolution**

Paralia was founded by refugees who came from the Kios area in northern Asia Minor, a port on the sea of Marmaras. The Paralia area was essentially meadow land during the past, which is why its agricultural value was very low. The first refugees arrived there in 1923 and they were provided with large pieces of land by the Greek state. Most of them scraped a living by working as fishermen and generally they were very poor.

In the 1950s, the first summer visitors started to come to Paralia for short holidays or even for day trips in order to visit the fish tavernas. At that time, Paralia had undergone the same kind of evolution as many other fishing villages which were located near urban centres. The huge beach at the front of the village attracted more and more visitors each year. The first signs of the evolution of the fishing settlement into a tourist

destination started to appear. During the next two decades, the destination seemed to be quite dynamic.

In the 1970s, the relatively high living standards of the former Yugoslavia enabled people from its southern regions to come to Greece as tourists. They were the first foreign tourists to visit the destination due to the proximity to the Greek-Yugoslavian border. Ten years later, German and Austrian tour operators offering low-budget tourist packages discovered Paralia, which offers all the “S” factors that comprise the mass tourism phenomenon. Paralia is very close to the border and tourists could get there from central Europe via the E10 motorway, which runs across former Yugoslavia. Even tourists from Germany were able to use their own cars in order to come to the cheap destination. Development peaked and each year more and more small hotels were being added in order to satisfy demand. This development was largely due to investments on the part of northern Greek emigrants to Germany who had repatriated. Excessive demand attracted investments, while the Greek state imposed that kind of development with the edicts of the head of the prefecture and the Greek National Tourism Organisation (GNTTO) specifications.

The small size of individual plots led to the construction of small hotels which could not compete with the high categories specified by GNTTO hotel classification. As happened in other similar cases such as the Costa Brava, during the period of fast development there was a tremendous reorganisation of space. According to Pearce (1989: 59), that kind of disorganised development leads to the creation of low-quality built environments, which are ribbon shaped and adjacent to the littoral.

The conflict in the former Yugoslavia during the nineties led to the collapse of Paralia’s main market. In the early nineties, there was a crisis the like of which had never been seen before. Unemployment figures increased rapidly. As tourism was one of the main forces of the local economy, the crisis created several domino effects. New markets were approached as part of the local authorities’ efforts to deal with the problem. The promising Russian market gave new life to underperforming local businesses. The presence of Russian tourists attracted the attention of fur industries from the towns of Kastoria and Siatista.

A new identity was gradually introduced into the seaside resort. More than one hundred branches of Kastoria and Siatista industries displayed their products in the shops in Paralia, successfully selling them to Russians. For Russian people, vacations in a Mediterranean resort were combined with shopping for a highly regarded product: fur coats. At the

same time, many tourists from Hungary and the Czech Republic started to arrive.

*Targeting emerging markets causes dramatic changes to Paralia.* Behaving as an opportunistic investor, the destination undertook serious risks that produced several anomalies, such as the swamping of the destination with fur coat shops, something which turned away the Greek tourists who were seeking traditional enterprises such as restaurants and fish tavernas. The departure of Russian tourists to other places, such as Dubai, due to the significant Gross Domestic Product increase in Russia in the post-2000 era, led to the departure of the fur coat businesses back to their origins in the towns of Siatista and Kastoria. The destination, however, still had a poor reputation in the Greek market.

The economic development of certain Balkan countries after 2000 once again established the Balkans as the vital market for Paralia. Successful marketing in Romania and Bulgaria led to a sharp increase in the number of incoming tourists to Paralia in 2005. It seems that Paralia moved from stagnation to an upward phase in Butler's diagram.

## SWOT ANALYSIS

The main tourist asset of the area is the long, wide beach, composed of rough-grain sand. The beach stretches for several kilometres and its natural width is more than one hundred metres, which is quite unusual as, in general, Greek beaches are small and are usually restricted by rocks due to the mountainous morphology of the country. According to Cooper et al. (1993/2004: 291), the uniqueness, the proximity to key markets and the intensity of uses of an attraction sets the frame in which the attraction is under pressure. The beaches of Paralia are under a lot of pressure for precisely those reasons.

### Strengths

- Vast white sandy beaches.
- Easily accessed via main transportation networks.
- Proximity to the famous Mount Olympus and to several archaeological sites, UNESCO heritage sites included.
- Dense development: in an area of less than three square kilometres there are more than one hundred hotels and more than seventy restaurants, cafes, beach bars and clubs. This kind of density leads to the creation of a 'cluster'. Amusement is the main feature and most people visiting the

destination are youngish. Entertainment is the main feature and that, according to Haywood et al., sets the frame for the target group visiting the destination (1990: 128). That is why Paralia is *particularly popular among the youth of Eastern European countries*.

- Small-scale hotels offer what is the key to success for the hotel industry in the modern era: personalised services (Zografos, 2000: 21).

### **Weaknesses**

- Environmental degradation — the construction of a fishermen's port during the eighties led to the erosion of beaches along the entire extended waterfront of the village. The vast beaches which contributed to the development of the destination can now be found only on the outskirts of Paralia.
- Intensive tourism development led to rapid urbanisation of the area. The urban landscape which was created has no special characteristics. At the same time, tolerance and lack of punishment have permitted the emblazoning of all hoardings, etc. with advertisements and posters. Ugliness can only harm the profile of the destination.
- The creation of a solid basis of low quality accommodation and facilities means that the destination is neither flexible with regard to the current market nor to other emerging markets.

### **Opportunities**

- Paralia can attract permanent residents from Katerini and Thessaloniki due to the provision of cheap apartments.
- The successful attraction of tourists in the post-2004 Olympics era made the people in Paralia optimistic. Prior to 2004, most of the businessmen were downhearted and there was a general feeling that Paralia looked like a business which was heading for bankruptcy.

### **Threats**

- Further environmental degradation. Areas characterised by green fields might vanish under pressure for the provision of land for further hotel development.

- The upward trend that the destination achieved due to the growth of the Balkan outbound tourism markets, might lead to further replication of the small hotel pattern.
- Balkan tourists might move to other destinations when the Gross Domestic Product increases significantly in those countries.
- The arrival of low price supermarket chains such as “Lidl”, which are also attracted by the fact that Balkan tourists are interested in shopping during their vacations in Paralia.
- Other nearby settlements act as competitors for Paralia. Olympic Beach and Korinos tend to attract Greek tourists who do not want to visit Paralia.

As is outlined in much of the research on northern Greece, this kind of disorganised development definitely creates a certain mass of entrepreneurs who are generally satisfied by the fact that they “do business”. Those people do not easily consent to change. As a conclusion of this SWOT Analysis, it can be said that Paralia should differentiate its product and incorporate other forms of tourism in that product. That can be easily done due to the destination’s location.

## THE SURVEY

### Field research

The main purpose of this research is to explore the nature of Paralia as an example of disorganised tourist development. The exploration of the aforementioned “trap” could lead to conclusions for all those destinations which have been developed rapidly throughout the country. But as certain dimensions of the trap are obvious, the key question is: Why don’t local people do something to change it? Do they “feel” the trap? If they do, why they do not react?

*Within this framework, the main hypothesis to be tested is that local people “feel” the trap but they tend to compromise with the whole situation.* (Zografos, 1999: 25). Testing of that hypothesis could establish a cause and effect relationship between local peoples’ perceptions and the situation of the destination. As is pointed in Sekaran (2000: 108), by testing the hypotheses it is expected that solutions can be found in order to correct the problem.

In this study, a quantitative research method was followed. It was judged to be more effective compared to the qualitative one, since it

allows extensive data collection based on a structured questionnaire. Quantitative methods permit relatively rapid and financially economical data collection. Consequently, a questionnaire was given to potential respondents.

The collection of secondary data has helped the researcher to formulate the research questions as well as to decide on the type and number of interviewees. As is pointed out by Palandjian (2000: 66), the design of the questionnaire should be tackled with special care by any researcher. The researcher should follow a sequence of logical steps in developing the questionnaire, including the formulation of questions and any decisions regarding the wording of questions and the layout of the questionnaire.

The four page questionnaire which was produced for the present research consisted of 15 questions and included a variety of question forms, which were used according to the objective of the specific question. The researchers tried to avoid open-ended questions because they are very difficult to analyse. Five points scale responses were used for the closed questions of the survey. The main strategy used in order to obtain primary data was to give those questionnaires to people that live or work in Paralia. This decision was taken, among other reasons, because as tourism development in the area is disorganised, the only agent which could potentially change the situation is local people.

The survey method which was followed had certain limitations. Research took place in March, 2007, when there weren't any tourists in Paralia. It would have been interesting to have had their opinions as well. The limited number of respondents is due to the fact that there is a lack of interest on the part of potential respondents regarding such research. Moreover, the limited size of the sample was guided by the limited number of people living and working in Paralia during the winter months. Out of the 1,000 registered inhabitants, only half of them stay in Paralia during the winter.

In the following section, the analysis of the findings of the survey is presented in order to identify the "trap" in which the destination is in. In order to achieve this, the data were coded by using numbers to present the information and Microsoft Excel for Windows computer software was utilised to produce accurate results.

## **Results**

Questionnaires were distributed to 54 people living in Paralia. Ultimately, 32 of them returned the questionnaires. Twenty-eight percent were hotel

owners, while 31% were employees in various tourist-related businesses. The majority (69%) are registered in the municipality of Paralia, while almost half (53%) live there permanently.

*Surprisingly enough 63% answered that in general terms they are quite satisfied with the general situation in Paralia.* Concerning the problems Paralia faces, most of them (81%) replied that environmental and urban planning issues are the most crucial ones. A significant percentage (69%) also selected seasonality as a major problem for the destination. Sixteen people answered that the low quality of tourists is another key issue. Twenty-two percent indicated that criminality is a problem for the destination. It was mentioned that the dependence on tourist agencies is a structural problem for the destination.

It was quite interesting to find out that *the vast majority of people believe that all those problems are interrelated.* Fifty percent believe that there is a medium degree of interrelationship between all those problems, while a significant 38% thinks that the interrelationship is very strong. That finding shows that people living and working in Paralia are knowledgeable about the context of the tourist product and its dependence on issues such as resources. Most people think that the beaches, proximity to the main transport networks and low pricing policies are the main advantages of the destination. Almost half of them believe that the large number of hotel units and significant opportunities for amusement are equally important to the factors mentioned above.

As far as the disadvantages of the destination are concerned, 78% think that the absence of green areas and the extended urbanisation are the main factors. Sixty percent think that the erosion of the beaches inside the urban area is also a key issue. The low quality of the built environment, as has been shaped by illegal buildings and illegal signs, is an issue equally unpleasant to almost half of the respondents. It is weird that many people have answered in this way, since they have illegal extensions on their own buildings and illegal signs as well. When they were asked why that happens, they said that they do it because everybody else does. More than 33% thought that the existence of the large number of hotels constitutes a further disadvantage for the destination.

Considering the high percentage of people who responded negatively, it is clear that central Greek administration neither promotes the destination abroad nor in the domestic market. The vast majority (84%) felt that Paralia is not a part of the campaign Greece has adopted to promote itself abroad. Concerning what should be done in order for the destination to be upgraded, there is general agreement that *infrastructure projects such as the creation of a museum or improved traffic flow*

*arrangements would help significantly.* The same positive answers occur when people are asked about the potential contribution of further promotion in Greek markets and abroad. People agree that more stringent police inspections would help towards the better performance of the destination.

The vast majority (93%) strongly believe that the creation of a body which would have as its main purpose the upgrading of the destination would be good. It was mentioned, however, that such a body already exists within the framework of the local government structure. Furthermore, it was mentioned that that body does not work productively. Considering the potential performance of the destination in the future, most of the respondents (75%) believe that seasonality is not going to be reduced. On the other hand, most of them are quite optimistic as far as future general conditions for the destination are concerned. There is a division, however; half of them believe that Paralia could never target higher-income markets, while the other half believes that it will happen some day.

The findings show that people in Paralia are satisfied with the situation, but they are aware of the fact that environmental degradation can harm the performance of the destination. This is crucial for all mature destinations, not only those in Greece. There is a gap, however, between people's beliefs and people's actions. That mismatching should be covered by legislation. Seasonality is another key issue for destinations and that is highlighted in the survey. On the contrary, criminality does not seem to bother the residents as it does not affect them in most cases. The level of interrelationship between all the issues shows that a holistic approach should be followed in order for the amalgam of problems to be resolved. In the literature so far, the development of special forms of tourism has been proposed in order to limit the effects of seasonality. In the case of Paralia, more complex strategies should be followed, and that has been highlighted by the present case study.

As far as the situation in Paralia is concerned, general optimism opposes the feeling that the marketing of the destination is poor and the urban fabric is of low quality. *Furthermore, the findings show that the main hypothesis is verified. Local people know what the "trap" is but they are compromising with it, as temporal earnings keep them appeased. Inconsistent responses show the deadlock situation.*

The main consequence of the finding is the absence of governmental policies which act against the deadlock that mature destinations find themselves in. The findings show that there is a lack of planning policy concerning the types of settlements where there is no special urban plot

(as happens in traditional settlements, for example) but there are special uses (clusters).

Generally, the results show that *the people of Paralia are quite knowledgeable about what the situation is in their destination*. They recognise what their own faults are and what things have to be done. In-depth analysis of the results could show that there is an absence of certain large-scale interventions which could help the reorganisation of spatial development. The whole procedure could act as a case study for other destinations as well.

## PROPOSALS

The establishment of an efficient tourism development organisation could give the following solutions to selected issues:

*The predominant pattern of the small hotel should change once and for all.* Developers should be encouraged to buy larger properties on the outskirts of the settlement. The local authorities should establish municipal tourist buses, which could connect those hotels with the beaches. Several incentives can be offered by the state in order to motivate small hotels to become unified and work under the same name. Adjacent hotels can do that more easily. They can cooperate in order to create facilities that otherwise they could not create due to high costs or lack of space, such as swimming pools, restaurants, etc. Local bodies such as the local Hoteliers' Association could create a common marketing umbrella for all the hotels, in order to enjoy the benefits of well-organised marketing incorporating a place marketing perspective. Ultimately, a place marketing plan should be produced. As is pointed out by Zografos (2000: 35), several marketing consortiums do the same thing for individual properties throughout the world (Leading Hotels of the World — Design Hotels, etc.). In that way, the accommodation enterprises in the destination could be more flexible and promote themselves in markets other than those which the local authorities select.

*Rural areas between the settlements can be purchased by the state in order to be transformed into parks.* The continuing efforts to plant palms in order to "tropicalise" Paralia can be described as a failure. In many cases, trees which prosper in Pieria's climate were uprooted in order for palms to be planted. The majority of those palms did not grow successfully.

*The fishing port could be further deepened in order to provide a harbour for bigger vessels or even a ferry, which could connect Paralia*

to *Thessaloniki*. The tourist product of Paralia could be enriched with sailing tourism, due to the proximity to Thessaloniki and Larissa, cities with continuously increasing figures relating to the purchase of vessels, according to the press.

*Several actions could take place throughout the year in order to lengthen the short season.* A Balkan carnival could be established and people who come during the summer could come during the winter in order to join in the celebrations. The same could happen during Easter, or during the Christmas period. Several festivals held by the municipal authorities could attract tourists.

As well as these actions, which could lead to the successful attraction of tourists throughout the year, *several types of incentives should be given to the owners of apartments that have no central heating, in order that they might be encouraged to install it.* Such actions, in combination with the revamping of old apartment buildings, might lead to the attraction of people from Katerini, who could come and live throughout the year in Paralia. The urban area would be revitalised in this way and several illegal phenomena, such as prostitution, which is being accelerated by the provision of cheap apartments, might be decreased. Certainly, in several cases in urban centres throughout the world, various strategies have been used in order for local societies to recover depressed areas from crime, etc.

One very popular strategy, as pointed out by Gospodini (2005: 143), is *the development of cultural facilities*, combined with the development of new businesses premises. The use of high-end architecture makes the marketing of the new development easier. The same strategy could be used in Paralia, due to the total absence of cultural facilities. The development of a new core, consisting of a Fishing Museum or an Asia Minor Museum, combined with premises for several industries that are supportive to tourism, could act as a catalyst for the successful incorporation of Paralia's urban landscape into those areas which are inhabited throughout the whole year.

Long-term targets for the destination should be the lengthening of the tourist season and the spread of tourist activities into the hinterland of the municipality, *in order to have a mixed local economy and not an informal zoning of activities.* Furthermore, the pressures being applied by developers for the construction of new hotels in the area are tremendous, especially after the beginning of the upward trend of the destination.

Paralia is the driving force for Pieria's economy. Further improvements in its performance and the consequent continuation of the upward trend in the destination's life cycle would significantly benefit the

region's economy. Large scale interventions and successful place marketing seem to be the only way to achieve that.

## CONCLUSIONS

The "trap" in which the destination finds itself, pushes the destination to target only emerging markets and that means that in a few years the destination will have to look for new tourists. By the time the Bulgarian and Romanian Gross Domestic Product increases, the outbound tourism from those countries will have moved to other destinations, rather than Paralia.

The "trap" is the result of the disorganised character of development and it has three main dimensions. The first is the *degraded built environment*. Density in hotels leads to a density of tourist presence during the summer months. In those terms, there is a huge fluctuation in the number of people in the urban area. During the winter period, there are sections of the urban area which are totally devoid of human activity. Apartment blocks and hotels are closed and that is one of the factors which lead to the transformation of those areas into a refuge for several illegal activities such as prostitution and drug dealing.

Urbanisation is the main threat for seaside resorts. The absence of green areas in Paralia is very obvious. Even for certain plots which are characterised by the general plan, such as small parks, etc, pressure is put on local authorities by the owners of that land, with the aim of changing that characterisation. Those actions could lead to the loss of those plots in the future. *The essence of 'cheap cosmopolitanism' dominates Paralia*. It is certain that the provision of amusements in a place leads to the dominance of neon in the facades of the buildings (e.g. Las Vegas). Taking that for granted, it means that the control of local authorities over the illegal signs industry is crucial.

The second dimension of the "trap" is *environmental degradation* which includes the loss of beaches. The creation of a small fishing port on the edge of the settlement during the eighties was not planned efficiently and the relevant studies did not take into account the sea currents. That led to erosion of the beaches located inside the area. Thus, *the beaches, the primary resource, started to vanish*. Several actions, such as the construction of "rocky legs" in the sea, stopped the phenomenon after almost a decade of damage. Any action to restore the beaches would be quite expensive. Many people think that, due to the fact that beyond the settlement's boundaries there are still several kilometres of huge beaches,

there is no need to restore the beaches but just to maintain the current situation.

The third dimension of the “trap” is *limited marketing*. The promotion campaigns on the part of the central administration do not seem to incorporate places such as Paralia. On the other hand, images from places such as the Cyclades dominate the “imaging of Greece” (Deffner and Zografos, 2005: 3). Local authorities have to be more effective in pressuring central government to ensure their equal promotion in GNT0 campaigns. As the survey showed, local people are aware of the problems, but *there are no organised actions* yet on their part. If a new crisis similar to that of the nineties occurs, then it is quite possible that they will react. As long as they make money, they compromise.

Tourism is one of the main reliable forces for development in Greek regions and that is why it should be a priority for the Greek state to solve the problems faced by its dynamic destinations. The unorthodox form of the development of Paralia in recent years has led to a sharp increase in the value of land, but it has also resulted in a variety of problems. However, a variety of solutions to these problems can be found.

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## ENDNOTES

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