

INTEGRATING SUSTAINABILITY INTO TOUR OPERATOR BUSINESS: AN INNOVATIVE APPROACH IN SUSTAINABLE TOURISM

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Tour operators are the key elements in the tourism system; they are the link between the tourist and the destination. As a result, tour operators are in many ways the key to achieving more sustainable forms of tourism. This study aims at examining the actual experience of tour operators who adopted sustainability practices in their business with the purposes of: 1) Identifying the priority implementation areas; 2) Determining the most important motivators which encourage tour operators to adopt more responsible strategies; 3) Exploring the outcomes and benefits as well as the major obstacles and barriers that deter the integration of sustainability strategies in the tour operator business. For this study 32 tour operators have been investigated. In addition, in-depth interviews with destination stakeholders have been conducted to reflect their experience.

Keywords: *Supply Management; CSR; Sustainable Tourism; Tour Operator.*

JEL Classification: *L83, M1, O1*

INTRODUCTION

Tourism is a rapidly growing phenomenon that has become one of the largest industries in the world (Inskip, 1999; Harssel, 1994). Although tourism contributes to employment and economic development (Tapper & Font, 2005; United Nations, 2001; Rebollo & Baidal, 2003; Wijk & Persoon, 2006), it also leads to negative environmental and social impacts such as: resource consumption, pollution, waste generation and



disruption or destruction of local cultures (Sigala, 2008; Wijk & Persoon, 2006; Chheang, 2009 and Gronau & Kaufmann, 2009).

According to a number of studies, mass tourism activities are considered responsible for generating the most severe negative impacts of tourism; consequently, large-scale tourism, by its very nature, is unable to fulfill the requirements of sustainability (Mason, 2003). In contrast, small-scale activities (nature tourism, alternative tourism or eco-tourism) are considered beneficial and more responsible; thus, they are able to incorporate sustainability principles (Mowforth & Munt, 2003; Sigala, 2008). Taking into consideration that mass tourism is a reality of our time that will not disappear but continues to expand, the greatest challenge of sustainable tourism is to find ways of incorporating strong preventative approaches in all tourism activities. (Swarbrooke, 1999)

To address the negative impacts of tourism, the industry needs new tools and methods that can prevent harm while developing and managing tourism activities in ways contribute to sustainable development (Tepelus, 2005). Mason (2003) states that tour operators are an example of a sector that has a reputation for causing negative impacts and creating problems. At the same time, tour operators – particularly large-scale ones with great economic power – are in an ideal position for facilitating the dissemination of these attitudes through the entire tourism industry (Tepelus, 2005; Wijk & Persoon, 2006; Font et al., 2008).

Sigala (2008) argues that tour operators play significant roles in changing behaviors and attitudes towards more responsible forms of tourism. This may appear in: (a) influencing the volume and direction of tourism flows; (b) integrating and affecting attitudes and practices of numerous tourism suppliers and stakeholders; and (c) shaping destinations and local communities.

Moreover, in recent years, public awareness of the environmental impacts of tourism and the related consequences of unsustainable exploitation of natural resources has increased dramatically. This awareness is expressed in the growing demand for more environmentally and culturally sensitive holiday experiences. Many tourists now expect sustainability consideration to be integrated into their holidays; meaning that tour operators must operate sustainability to remain competitive (Font & Cochrane, 2005a).

Although there are just a few tour operators in Europe that take responsibility for sustainability and protecting environmental and cultural resources (Sigala, 2008), it has been recently noted that tour operators' attitude towards the environment in the tourism destinations has been slowly changing (Budeanu, 2005).

In this context, the purpose of this research is to acquire a better understanding of how tour operators – being the key players in the industry – could strategically help their destinations move towards sustainability. In particular, this study aims at examining the actual experience of tour operators who adopt sustainability practices in their business with the purposes of:

- 1) Identifying the areas that are considered the most important in terms of sustainable practices;
- 2) Determining the most important motivators which encourage tour operators to adopt more responsible strategies;
- 3) Exploring the outcomes and benefits as well as the major obstacles and barriers that deter the integration of sustainability strategies in the tour operator business.

LITERATURE REVIEW

Tour Operators & Sustainability Concept

In the past, tour operators sometimes neglected their environmental and social responsibilities, arguing that they are simply intermediaries between customers and service providers and that destination impacts are the responsibility of the sub-contracted suppliers or the local authorities. While stakeholders clearly share the responsibility, most tour operators now understand that it is precisely their responsibility because they are intermediaries, working closely with both tourists and tourism service suppliers (Budeanu, 2005; Swarbrooke, 1999; Cochrane, 2006; Font & Cochrane, 2005a).

Moreover, many studies indicate that tour operators are in many ways the key to achieving more sustainable forms of tourism (Swarbrooke, 1999; Frey & George, 2010; Wijk & Persoon, 2006).

Tour operators have started to recognize their responsibility for the negative impacts of tourism, since they are the ones who determine where many tourists go and which facilities they use (Tour Operators Initiative (TOI), 2002; Budeanu, 2005). Today, a large number of tour operators take a more proactive attitude and have started to develop environmental policies and plans.

As a result, many international organizations, industry associations and governmental bodies have started to investigate the role of tour operators in the industry and screen their current efforts to reduce the impacts of their activities. In response, tour operators have taken several initiatives to evaluate impacts and improve performance (Budeanu, 2005).

In addition, a few international initiatives to improve the sustainability of tourism sector have been initiated by non-governmental organizations and tour operators (Wijk & Persoon, 2006). The most prominent is the Tour Operator Initiative (TOI) which is developed with the support of the United Nations Environment Programme (UNEP), the United Nations Educational, Scientific and Cultural Organization (UNESCO) and the World Tourism Organization (WTO) in 2000 (Holden, 2008).

The purpose of this initiative is to encourage tour operators worldwide to make a corporate commitment to sustainable development and to make considerations for the environmental, cultural and social impacts as an integral part of the design and operation of their tours and the conduct of their business activities (WTTC et al., 2002; Fredericks et al., 2008; TOI, 2007a).

Main Areas of Tour Operators Contribution

Tour operators are moving towards sustainable tourism by committing themselves to the concepts of sustainable development as the core of their business activity and by working together through common activities to promote and disseminate methods and practices compatible with sustainable development (TOI, 2005; Mason, 2003).

There are many areas where tour operators can integrate sustainability practices.

According to Carbone, 2004 and TOI, 2007b, the key operating areas are:

1. Internal Management
2. Product Development
3. Supply Chain Management
4. Customer Relations
5. Co-operation with Destination

The first four categories cover actions and decisions that tour operators make in preparation for the holiday package. Through these actions and decisions, tour operators have either a direct impact on sustainability (e.g. managing office supplies) or a significant influence on sustainability (e.g. through the supply chain). The fifth area covers efforts to address product impacts at the destination (TOI & Global Reporting Initiative-GRI, 2002).

Internal Management

This includes all the operations and activities that take place at the tour operator headquarters and in its country offices. The day-to-day administrative and operational activities within a tour operator's office have the potential to cause a wide range of environmental impacts. Implementing practices to reduce consumption of paper, energy, water and other office supplies and to dispose of waste in a sustainable manner can directly reduce the impact of operations, lead to cost saving as a result of more efficient resource use, and help staff to focus on the importance of environmental efficiency. Employment issues, including labor rights, human rights and staff training, are another important part of the responsible Internal Management. Implementing good labor practices and respecting human rights will increase staff morale and allow for greater retention of high-quality staff, while improved working conditions will contribute to high-quality service for clients. In addition, staff training on sustainability issues and how they can make a difference is the key to ensuring employee commitment to sustainability strategies and improving performance throughout the company (Font & Cochrane, 2005a).

Product Development & Management

According to Miller and Twining-Ward (2005), this area includes actions related to the tour operator's choice of the destination and selection of holiday package components that minimize environmental, economic and social impacts. Font and Cochrane (2005a) add that it is important for responsible tour operators to choose destinations that have good environmental management systems. Moreover, tour operators should favor destinations with good-quality local labor.

Font and Cochrane (2005a) explain the product management as the design and management of sustainable holiday packages including the assessment of various components of a tour, from accommodation to transport services to excursions, in order to determine their potential environmental, social and economic impacts, minimize negative impacts and maximize positive benefits to the environment and local communities and destination economy. Furthermore, they mention that choosing local suppliers and locally-owned services can also help ensure that a significant portion of the tour revenues stays in the destination and benefits local people, rather than being lost to leakages.

Supply Chain Management

Zhang et al. (2009: 345) define the Tourism Supply Chain as "a network of tourism organizations engaged in different activities ranging from the supply side to the distribution and marketing of the final tourism product; it involves a wide range of participants in both the private and public sectors".

Most elements of a holiday package are delivered by suppliers who are sub-contracted by the tour operator. Thus, the selection of service providers and contracting with them is an important opportunity to influence the sustainability of the products. The main goal of the Supply Chain Management is to work on product and service stewardship across the entire life cycle of the holiday package to design packages with lower environmental and social impacts (Budeanu, 2009; Font et al., 2008; Miller & Twining-Ward, 2005).

TOI (2007b) suggests that a tour operator can support its suppliers in their efforts to be more sustainable by raising their awareness on sustainability issues and providing feedback on performance so that they can learn where and how to make improvements, in addition to offering technical support for sustainability actions and finally creating incentives for high performance and using contractual procedures to enforce requirement.

While TOI (2007a) has developed a methodology for tour operators seeking to integrate sustainability criteria into their choice of service suppliers, the key component of this methodology includes establishing a sustainable supply chain policy and management, supporting suppliers in reaching sustainability goals and integrating sustainability criteria into suppliers' contracts.

Customer Relations

According to Font and Cochrane (2005a), tourists are often unaware of the impacts they may be causing during their holidays. This may be particularly the case since tourists are, by definition, seeking an escape from the concerns and responsibilities of their everyday lives. Tourists also may not see the impacts they are causing, because most of the negative impacts of tourism are the result of the accumulation of many small impacts over time.

Tour operators are ideally positioned to support and influence responsible actions by their customers. They can promote appropriate

behavior in pre-departure information through a fair portrayal of the destination and local cultures. They can also continue raising awareness of sustainability issues throughout the tour and excursion. In any post, holiday information sustainability messages should encourage customers to behave in a more responsible way. A tour operator can reinforce its messages by inviting feedback on the sustainability issue and channeling this feedback to suppliers, destination representatives and local policymakers.

Finally, in addition to expecting appropriate behavior from customers, tour operators have a responsibility to protect their clients' privacy, health and safety. This is an important component of ensuring the overall sustainability of customer relations.

Co-operation with Destinations

According to the TOI (2005), this area includes efforts made by tour operators to influence the sustainability of destinations, safeguard destinations' culture, economy and environment, and increase benefits for the local community.

Tour operators can achieve this by establishing and strengthening links and developing partnerships with stakeholders in destinations, private sector, civil society, local authorities and non-governmental organizations in the destinations.

In addition to the above area, it is recommended to ensure that activities targeted towards sustainability are comprehensive, credible and leading to long-term positive change, and to monitoring and reporting on performance (Carbone, 2004).

This area also includes all activities and decisions related to destinations that tour operators make beyond the production and delivery of their holiday packages. This mainly includes efforts made by tour operators to engage in dialogue with destination operators about the impacts of tour packages and philanthropic activities (WTO, 2004).

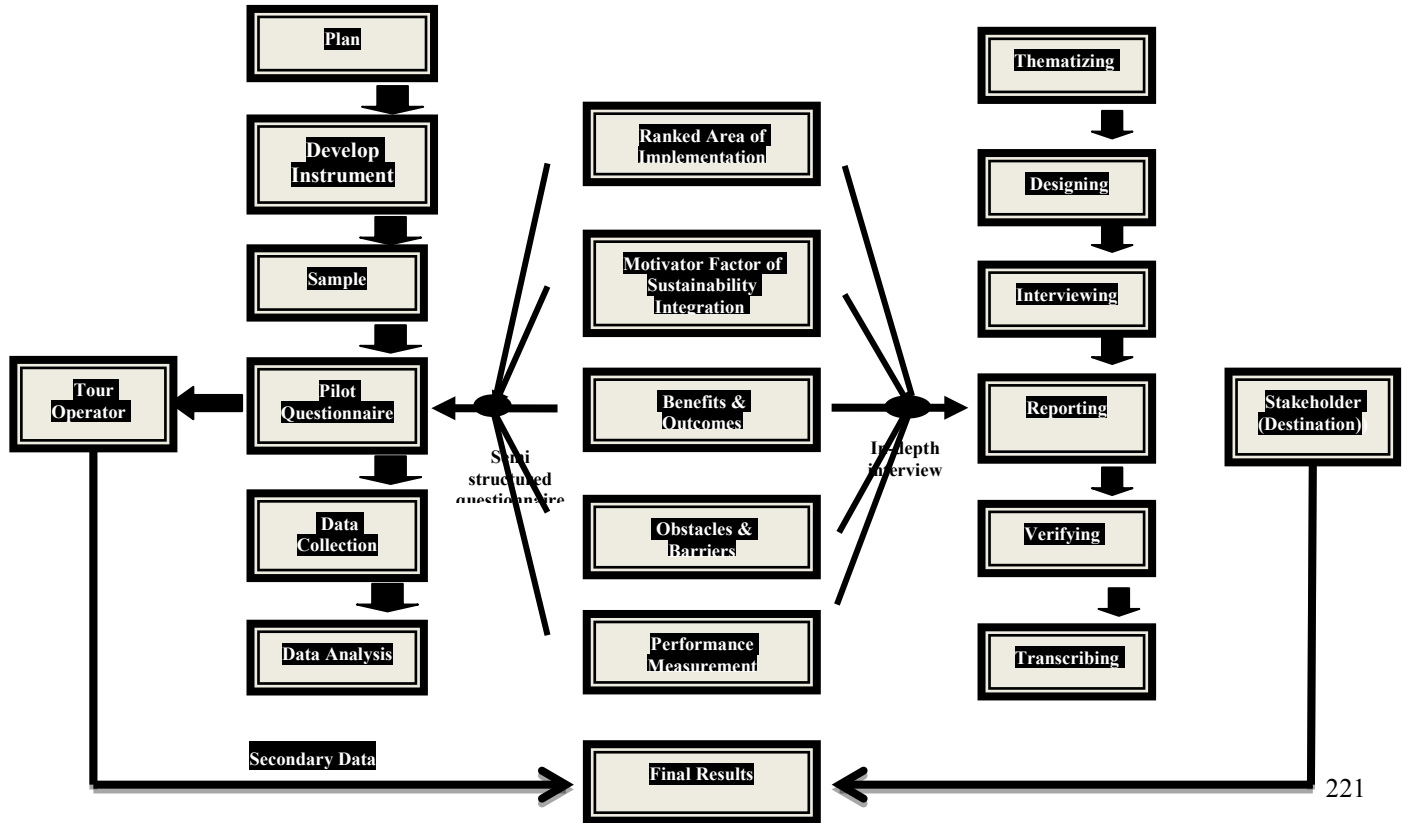
METHODOLOGY

The methodology depends on developing a model for the factors to be investigated and guiding work through the field study (Figure 1 illustrates these factors). The data is collected through qualitative and quantitative methods; and the methods are broken down into three phases:

Phase I: in this phase, the research depends on exploratory research techniques where in-depth interviews (qualitative method) are conducted with a representative sample of the stakeholders of tour operators in destinations. This preliminary work usually explores the perspective on particular idea (Boyce & Neale, 2006; Guian, 2006), formulates and defines a problem more precisely, in addition to gaining insights into the comprehension of research (Malhotra, 1996).

In this research, the main objective of these interviews is to gain familiarity with the research problem and guide the process of questionnaire compilation and development. According to the study of Dodds and Butler (2010), the main topics discussed are: the main challenges and barriers facing tour operators in destinations with respect to achieving sustainability goals, the outcomes and benefits returning to the destinations adopting sustainability principles in the tour operator business, and the performance measurement.

Figure 1 Methodology Framework for Field Study (Research Design)



To give a more rounded view of the tour operators' role in the destinations, a selection of sustainable tourism experts and a number of stakeholders have been invited to contribute their perspectives. These participants are included in the interviews due to their role in sustainable development. They are believed to be more knowledgeable to have a basic understanding of and relationship with the research's topics in order to obtain meaningful data.

In this stage, the planning for the interviews depends on identifying the stakeholders who will be involved (sample of 27 stakeholders); such as tourism management experts in Egypt from the Ministry of Tourism (MOT), Tourism Development Authority (TDA), Federation of Tourism Chambers, the Red Sea Sustainable Tourism Initiatives, representatives of hotels, travel agents, syndicated tour guides, non-governmental organizations and suppliers (restaurants, diving centers, transportation, etc.). It also includes what type of information is needed from them. Then, the development interview protocol which has been first tested by experts and modified is used in conducting interviews, preparing data and concluding the final results.

Phase II: in this phase, the research depends on descriptive research techniques, a survey (quantitative method) that has been developed as an investigation of tour operators with respect to their experience with implementing sustainable policies in their business. The investigation has been done using a field study framework that outlines the investigated factors which influence the process of strategy adoption. For this phase, a semi-structured questionnaire is developed.

The questionnaire instrument consists of two main sections: the first is designed to obtain data about the organization nationality and business type, while the second consists of five tested variables (See Figure 1). These variables are extracted from the literature review studies of (Wijk & Persoon, 2006), (Sigala, 2008), (Tepelus, 2005) and (Fredericks et al., 2008).

The instrument has been checked, and then pilot-tested by experts. After making minor changes, it has been distributed on 53 large tour operators as a survey sample. This sample consists of 25 tour operators that are members of the Tour Operators Initiative. They have been invited to participate via the TOI Secretary (toi@unwto.org) and 28 tour operators are randomly selected from the list of the eco-friendly tour operators (<http://ecofriendlytourist.com/touropoperators.aspx>). Those companies are selected for their leading market position and interest in integrating sustainability in their business.

Due to the geographical distribution of the tour operator sample, the questionnaire is distributed via e-mail. According to Dejong et al. (2008), there is no difference in results when using online or pencil & paper questionnaires.

The Questionnaire has been directed to a number of managers holding the responsibility of environmental activities; they are selected as the ones most aware of drivers and challenges encountered during the process of adapting and implementing the sustainability strategies.

Phase III: in this phase, the research uses secondary data sources, such as tour operator documents, printed contributions and environmental reports. These documents are accessed through the internet, perusal, recorded or published information and websites. This data provides supporting evidence regarding the investigated tour operators' experiences in the investigated topics.

These resources are used in order to avoid result errors arising from bias. Since the used methods must have validity, multiple resources and data collection methods should be used to provide results that have reasonable credibility level (Fredericks, et al., 2008).

Data and information found are analyzed and discussed in accordance with the research objectives. The Statistical Package for the Social Sciences (SPSS, v17.0) is used to analyze the data obtained in this study. Descriptive statistics including simple frequencies and mean ratings are computed. Moreover, the chi-square test, a quantitative measure used to determine whether a relation exists between two categorical variables (Berman, 2001), is also applied.

FINDING & DISCUSSION

The results are structured into four main areas:

- a) Main area of implementation.
- b) Main motivators of adopting sustainability practices.
- c) Outlining barriers and outcomes of implementing sustainability practices.
- d) Performance measures.

A final response rate of 60% (n=32) has been achieved. After deleting unusable questionnaires, these 32 responses have been used for data analysis. It should be noted that 31% of the sample are German tour operators while 19% represents Swedish and US operators. The rest of the sample is Finnish, French, Italian and Turkish tour operators.

The analysis of data shows that 90.6% of the sample consists of outbound tour operators, while 9.4% are inbound tour operators. The

main service offered is package tours and guided tours (47%), hotel reservations (40.6%) and flight booking (12%) of the total sample.

By investigating the main activities of tour operators, the results show that 62.5% of the sample is involved in "leisure & resorts", 25% chooses adventure tourism, while only 12.5% focuses on sightseeing.

Ranking Main Area Implementation

The field study addresses the main area of tour operators' contributions to rank these areas according to tour operator priority. The results of this study clearly state that "Supply Chain Management" has the highest priority for tour operators with mean 4.00 and standard deviation 1.29. On the other hand, "Internal Management" is ranked as the least important area of implementation (See Table (3)).

Table 1 Contribution Areas Ranking

Area of Contribution	Mean	St. Deviation	Rank	X ² (Main Activity)	
				F Value	Sig
Supply Chain Management	4.00	1.29	1	40	0.000
Internal Management	2.84	1.16	5	15.34	0.053
Product Management & Development	2.91	1.34	4	40.10	0.000
Customer Relations	3.03	1.07	3	7.59	0.269
Cooperation with Destination	3.93	1.40	2	7.53	0.430

Used Scale:

1 = very low priority of implementation

5 = very high priority of implementation

These results confirm the previous study of Zhang et al. (2009) which states that sustainability in tourism depends strongly on the development of better linkage between supply and demand.

Based on revising the environmental reports of a number of German operators and TOI (2003), the German tour operators have a considerably high contribution in the area of "Customer Relations" compared to other nationalities.

Carbone (2004), TOI (2007b) and Brammer & Pavelin (2004) explain this variance stating that responses by individual tour operators in each of these areas are influenced by the tour operator's size, type of offered holiday package and, hence, type of customer and destination served. For example, the annual Reiseanalyse survey (2002) has

concluded that German tourists are particularly demanding environmental quality in their destinations (Font & Cochrane, 2005a). This may explain why the German tour operators care for the "Customer Relations" area in their sustainable policies.

According to the above table, the result of X^2 test confirms the above explanation. The results reveal a significant relation between the main activity of the tour operator and the priority of implementing sustainability practices in the area of Supply Chain Management ($F = 40$, $Sig = 0.000$) and Product Management & Development ($F = 40.10$, $Sig = 0.000$).

Main Motivators

Moreover, the results of this study highlight the positive attitude towards integrating sustainability into the tour operator business due to some motivators. When ranking the pushing motivators, the most important factors with the highest mean scores (4.06) and (4.00) are "Building Positive Public Image" and "Responding to Customer Demands". On the contrary, the factors "Becoming an Environmental Leader" and "Expected Regulations & Licenses to Operate in Destination" are ranked as the least important with mean scores (2.56) and (2.06) (See Table (4)).

Table 2 Ranking of Sustainability Integration Motivators

Motivators	Mean	Std. Deviation	Rank	Importance
Building Positive Public Image	4.06	1.01	1	Most Importance
Responding to Customer Demands	4.00	0.88	2	
Industry Initiatives	3.25	0.78	3	Moderate Importance
Reducing Environmental Impacts	3.09	0.82	4	
Becoming an Environmental Leader	2.56	1.10	5	Least Importance
Expected Regulations & License to Operate in Destination	2.06	0.72	6	

Used Scale:

1 = not important at all

5 = very important

Although the results show that "Responding to Customer Demand" is the most important motivator, Wijk and Persoon (2006) argue that a clear market demand for more sustainable tourism is still absent. They give example of the Dutch tour operators in Holland International (part of TUI) which has stopped offering sustainable tourism packages because of lack of demand. On the other hand, the results confirm the study of Gilgs and Ford (2005) who have found that customers are more likely to purchase responsibly if they perceive that their act of purchase made a difference in the environment of the destination.

The result of the interviews shows that most participants agree that "Building Positive Public Image" and "Industry Initiatives" are the most important factors. The respondents explain that the willingness of stakeholders in a destination to change their management practices into sustainability practices aims at building a positive public image and to be able to join special organizations.

On the other hand, by applying the chi-square test, the results indicate that there is no significant relation between the motivators of tour operators to adopt sustainability practices and the main service provided (chi-square value = 35.77, Sig = 0.008). However, there is a significant relation between the main activity offered by tour operators and their motivators to apply sustainability practices (chi-square value = 41.28, Sig = 0.001).

These results confirm the previous studies by (Wijk & Persoon, 2006) and (Hunt et al, 1999) since they have found that the management attitude is influenced by management intention, business performance and business type.

Benefits & Barriers

Although the results confirm – to a great extent – the findings obtained from the literature and secondary data, the research reveals some specific aspects related to the benefits and outcomes of integrating sustainability practices into the tour operator business as well as the obstacles and barriers that face tour operators through the implementation stages. The following table outlines the results of the questionnaire and the interviews concerning the benefits and barriers from the tour operator's point of view and the destination experts and suppliers' point of view:

Table 3 Benefits & Obstacles of Integrating Sustainability Practices into Business

	Destination	Tour Operator
Benefits & Outcomes	<ul style="list-style-type: none"> - Increasing long-term competitiveness - Increasing tourists demand of those who seek high-quality experience - Increasing customer loyalty - Safeguarding the destination resources - Encouraging investors interested in long-term sustainability - Increasing benefits for local communities - Providing source of income for conservation 	<ul style="list-style-type: none"> - Customer satisfaction (N=12) - Cost saving and financial situation improvement (N=3) - Enhanced product quality (N=8) - Increased operational efficiency & business opportunities (design innovation) (N=18) - Cooperation advantage (N=7) - Improved image of company in general (N=10) - Competitive advantage (N=16) - Strengthening staff skills and creating new competencies (N=9)
Obstacles & Barriers	<ul style="list-style-type: none"> - Level of stakeholders' confidence - as a whole - in the importance of sustainable policies for their work. - Having little regulatory pressure in the tour operators operation - Lack of agreed metrics for application or measurement of performance - Fragmented structure of tourism sectors - Beliefs that sustainable policies reduce the company profit - Discouraged by competitive market condition - Tendency of tour operators to put responsibility on host destinations 	<ul style="list-style-type: none"> - Lack of demand for sustainable tourism packages (N=12) - Cost of staff development (N=5) - Complexity due to numerous parties and partners (N=19) - Difficulty in co-operation with suppliers to apply their sustainable policies (N=20) - Weakness of shareholders' support (N=22) - Difficulty to gather and report necessary information (N=11) - Long time for making performance evaluation (N=13) - Lack of reliable ways to measure performance (N=14) - Facing different regulatory systems in the destinations' countries (N=8) - Bad effect on product quality (in some cases) (N=15) - Setting aside funds for environmental or social activities (N=17) - Costs involved with obtaining certificates such as ISO 14001 (N=2)

N = Frequency Response

The findings in the above table may explain why, despite responsible tourism policies and sustainable practices implementation, the tour operator business does not have a satisfactory level as a result of facing many constraints.

Performance Measurement

According to UNEP (2002) and WTO (2004), using the indicator measurement of performance has become important for setting evaluation, reviewing and modifying policies.

The results of the interviews clearly ensure the need for measuring performance in order to know the issues confronted in destinations so that these destinations can co-operate with tour operators. However, several participants strongly feels that the lack of examples for sustainability reports in the sector means that performance indicators could not be based on existing practices.

Most participants have commented that there is general tendency for large tour operators to be more socially responsive than the small ones because they can develop their qualitative and quantitative performance measurements. However, as far as the destination is concerned, there is no standardized data; there is poor technological integration, difference in organizational policies and poor understanding of the need for inter-organizational performance measurements.

Font and Cochrane (2005b) recommend that you cannot manage what you cannot measure. Thus, sustainability performance should be regularly monitored and documented to assess whether targets and objectives are being met and to identify necessary action.

As for the means of measuring performance, most participants of tour operators use annual surveys, analyze environmental performance, set environmental check lists, revise the used standard metrics, analyze samples of guest information by environmental management to posses strategic functions and environmental coordinators in the affiliated companies, write reports to check environmental quality in the holiday regions and hold communications and exchange information with suppliers, sometimes accompanied by brief suggestions for improving the suppliers' performance.

According to the field study and secondary data, there are two main types of performance reports and management practices:

- i) A review report that provides clear and appropriate recommendation for following the annual management cycle.

ii) A sustainable report that may include a description of changes in the holiday package design, measures to maximize economic benefits for the destination and other actions to address key environmental issues. The most common method of publishing and disseminating sustainability reports is through the internet, to help both staff and external stockholders to get feedback.

CONCLUSION

Integrating sustainability nowadays has become an indispensable requirement of demand, and tourism is not an exception. Although large tour operators are already undertaking steps towards this context, they have little real motivation to behave in more sustainable ways.

To achieve the aim of this study, thirty two tour operators have been investigated to reflect their experiences with implementing sustainable policies in their business. Moreover, a sample of tour operator destination stakeholders has been invited to illustrate their experiences with tour operator cooperation.

The results conclude that "Supply Chain Management" has the main priority for tour operators during the implementation of sustainable practices. "Building Positive Public Image" is the main reason that encourages tour operators to integrate sustainability in business.

The main benefits reported by the majority of tour operators are "Increased Operational Efficiency & Business Opportunities (design innovation)", "Competitive Advantage" and "Improved Image of Company in General". While for destinations, the main outcomes are "Increasing Long-term Competitiveness", "Increasing Tourist Demand Seeking High-quality Experience" and "Increasing Customer Loyalty".

The research concludes that although the principles of sustainable tourism are beneficial, their implementation in tour operator business is a difficult task to achieve since there is still a major gap between strategy and implementation. Also, the results indicate that the main obstacles that face tour operators are "Weakness of Stakeholders' Support", "Complexity due to Numerous Parties & Partners" and "Obligation of Setting aside Funds for Environmental or Social Activities". As for destinations, the main barrier is the level of stakeholders' confidence - as a whole - in the importance of sustainable policies for their work. Finally, the study discovers considerable differences in reporting behavior with respect to nationality and main services provided by tour operators.

This study proposes that future research should be done to get more insight into the critical successful factors for implementing sustainability in the tour operator business while focusing on how to overcome the obstacles which face them during adaptation.

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