Leading Factors of Sustainable Rural Tourism Development: Case of Georgia

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ABSTRACT

ARTICLE INFO

Purpose: This study is aimed to identify the leading factors for the tourism industry sustainable development in a less developed country.

Design/Methodology/Approach: Sustainable development can be defined as a process of economic and social changes as well as an agreed and coordinated process of natural resource exploitation, direction of investment, scientific and technological development, personal development and institutional change enhance the present and future potential of human needs. In this paper, we have tried to show the factors contributing to the development of the tourism industry. These recommendations make it possible to promote the sustainable development and rapid resuscitation of the tourism industry. In many ways it is about ensuring the quality of life of people. The design of the article includes theoretical explanations regarding sustainable development with emphasis in the tourism industry.

Findings: There are proposed more effective policies promoting the industry in addition to specific projects improving the infrastructure and the social feelings about tourism

Practical Implications: It was defined a set of measures that can have a positive impact, able to influence the industry in a positive way regarding its direct and indirect effects in the state, regional and local economies of tourism destinations.

Originality/Value: This is an important contribution describing and identifying issues related to the Georgian tourism sector. It is a valuable piece of information for policy-makers to adopt the studies proposals for the further sustainable development of the industry.

Keywords: Sustainable development; Tourism; Tourism Industry, Georgia, Rural Tourism

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1. INTRODUCTION

The necessity for sustainable development in tourism becomes more and more noticeable every year because of the high competition among touristic destinations. The most important issue is, to

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eliminate all negative aspects affecting the tourism industry growth/extension. The development of tourism around the world has a significant positive impact on the state revenue and environment. Tourism as one of the world's largest economic sector, supports one out of ten jobs, worldwide generating 10.4% of world's GDP (about US\$ 8.8 trillion). In 2018, travel and tourism industry also experienced a 3.9% growth, compared to the global economy which was 3.2%. One out of five new jobs were created by the industry over the last five years.

From the visual impact of the architecture of hotels and resort complexes to noise and air pollution from the increasing traffic flow, pollution of water sources and loss of natural habitats (Deutscher Reiseverband, 2015; Travel & Tourism Economic Impact 2016) tourism has been characterized as an obstacle to sustainable development if the industry discard issues relating to green economy, sustainability of natural resources, cultural habits and ethics, legal and environmental actions.

Most of the negative environmental impacts from tourism are associated with the construction of general infrastructure, such as airports, roads and tourism facilities, including resorts, hotels, and restaurants. However! Tourism and particularly nature- based tourism activities have beneficial effects on the environment by protecting and preserving the environment. It is possibility for to raise awareness about environmental values and serves as a financial instrument to the protection of natural areas and increase their economic value.

2. DISCUSSION

Sustainability has environmental, sociocultural, and economic dimensions. Healthy ecosystems and environments are necessary for the survival of humans and other organisms, and thus constitute the basis of sustainable development (Morelli, John, 2011). Sustainable development consists of a system which provides community economic development and environmental protection in the interest of human well-being, growth and quality of life for future generations, quantitative and qualitative changes for the protected natural resources and the surroundings (Frolova, 2010; Naumova, 2003; OECD, 1980). It implies a form of economic growth that ensures the welfare of the general public for short, medium and long term. It is based on the principle that today's demands must be satisfied so as not to threaten future generations. Sustainable development means to create conditions for the long-term economic development with considerable consideration on environmental issues. The Copenhagen World Summit on PAGE 50| Journal of Corporate Governance, Insurance, and Risk Management | 2019, VOL. 6, Series. 1

sustainable development in 1995 emphasized the necessity of combating social segregation and public health (Frolova, 2010).

According to Tiezzi and Marchettini (1999), the new theories of sustainable development and ecological economy confront us with a paradigm: today there is no economy based on two parameters (capital and work), but an ecological economy which admits the existence of three parameters: work, natural capital, and capital produced by man.

Through the improvement of the basic infrastructure and the full involvement of local communities, tourism can contribute to poverty reduction, the first of eight MDG (Millennium Development Goals). The provision of the possibility of attracting such external sources of income and their equitable distribution within the community in a tourist-attractive area primarily contribute to improving the quality of life of the local population (Keller, 2004).

During the United Nation World Tourism Organization (UNWTO) General Assembly meeting in October 10, 2011 in Gyeongju, Republic of Korea, about 70 ministers from all regions of the world agreed to promote such a tourism policy aimed at achieving the MDG (Millennium Development Goals) by 2015. In parallel, the capacity of tourism is to promote the construction of a "more secure, fair, green and prosperous world for all" (OECD, 1980; Debbage and Ioannides, 2003).

By considering the approach to tourism development, it should be taken into account needs of other industries, ensuring their interconnection and interdependence. Despite a rather long time of development of this concept, the researchers did not come to a common opinion regarding the definition of sustainable tourism. Today, the most common definitions are:

- ✓ Sustainable development of tourism industry is all forms of tourism development and management that do not contradict the natural, social, economic unity and well-being of established societies in an indefinite period (World Federation of Natural and National Parks, 1992);
- ✓ Sustainable development of tourism industry is ensured within the limits of environmental sustainability, allows to effectively restore the productivity of natural resources, takes into account the contribution of local communities to leisure tourists;
- ✓ Provides the equality of the rights of the local population to the economic benefits of tourism;

 ✓ Human wishes and needs of the receptive sides are seriously considered (Tourist Concern & Wild World Fund, 1992);

Sustainable development of tourism industry allows modern inhabitants of the world to satisfy their own needs for rest and recreation without the threat of

✓ future generations losing this opportunity (UNDP, Production and consumption branch, 1998).

3. FACTORS AFFECTING TOURISM DEVELOPMENT

At the present stage, the essence of sustainable development of tourism is considered as the most important factor for the sustainable development of the society. This provision is clearly stated in the Global Code of Ethics for Tourism, adopted by the SRT in 1999. It proclaimed the commitment of all participants of the tourism process to preserve the natural environment for sustainable and balanced development. An important role belongs to the central, regional and local authorities, they should support the most environmentally friendly forms of tourism.

In order to change the negative impact of large tourist flows, measures should be applied to distribute tourists and visitors uniformly, thereby reducing the seasonality factor. Planning of new objects of tourist infrastructure should be carried out taking into account the peculiarities of the terrain, to guarantee the preservation of the habitual way of life of the population. Sustainable development of the territories able to attract tourism activities is provided through the creation of tourism infrastructure, the organization of new jobs, the attraction to the standard activities in the field of tourist services for the local population. As a result, the living standard of the inhabitants of peripheral regions rises, and their consolidation takes place in the historical territory of residence.

The protection of tourism is the obligation to preserve the biodiversity of recreational areas and centers. For the realization of such approaches, it is required to use environmental technology, practical experience, recommendations of fundamental and applied sciences. For the protection and restoration of recreational areas new schemes of financing and lending environmental activities within the boundaries of the recreational areas could be an effective way to keep the level at the highest possible height (Frolova, 2010; Naumova, 2003).

All recreational resources are used for sustainable tourism development and are channeled in such a way as to satisfy economic, social and aesthetic needs while preserving the cultural identity,

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ecological balance, bio diversity and life support systems of the region. Several measures are appropriate to enhance sustainable tourism development, including a modern development strategy. These measures, whether state, regional or local, can describe the structure of an industry not only in terms of legal and / or economic aspects, in terms of social behavior of the workforce involved in this industry:

- ✓ Approval at the state level sustainable development provisions, in particular on tourism;
- ✓ Cooperation and exchange of experience with the international community on issues of theory and practice of sustainable development, adapting their methods and tools;
- ✓ Increase of the level of the ecological consciousness of the population, dissemination of information on the quality of the environment and methods of protection;
- ✓ Economic and legal support of nature protection activities;
- ✓ Stimulation of environmental initiatives of the population by supporting non-governmental organizations.

The goals of sustainable development of the tourism industry as an integral paradigm of the development of society is the development of management mechanisms for the tourism industry based on a balanced unity of economic, social (including demographic), ecological and environmental characteristics for general economic progress. Scientists around the world and highranking nations have repeatedly stressed the importance of using the potential of tourism to achieve the goals of social and economic development, which are known as the Millennium Development Goals (MDG), and contribute to the achievement of sustainable development of the society.

We have study sustainability factors of Norwegian rural tourism market functions as a basis for the convenience sample performed for a questionnaire (incomplete study). The questionnaire was distributed in 2019 to 8 Norwegian rural tourism oriented Household Owners and The staff. It was identified that each of these respondents had minimum 5 year experience of working in rural business.

The questionnaire was addressed to people aged 25 years and older. In total, 59 surveys were returned, which represents a response rate of 99%. A review of the responses reveals a total of 59 valid questionnaires for the present study, indicating a valid response rate of 95%.

The questionnaire was designed based on interviews with representatives from the tourism industry, previous studies on Norwegian tourism, and domestic statistics.

It incorporated 27 questions that represent the different preferred nature-based household activities and them experience in Norway. Other variables included in the questionnaire to segment of the rural tourism households are: age, education, employment, qualification, gender, household income, household size, marital status, (demographic), region (geographic), expenditure, experience (travel), group size, length of stay, mode of transportation, and visitation

Tourism activities with proper planning have a positive effect for the rural destinations development, and contributes improvement the quality of life of the people.

4. CONCLUSIONS

In order to create long-term conditions for the development of tourism within a proper and preserved status in natural resources and the cultural values of the society, the aim of this research is to establish theoretical approaches for a sustainable development of the tourism industry in the state of Georgia. As the tourism industry itself contributes to the country's socio-economic development it is required to be treated as such. Sustainable development through a growth model with adequate use of natural resources, supporting human needs while at the same time preserving the environment, the social and the cultural aspect of the local society could be a well-balanced strategy to be used satisfying present and future needs. Future generations have the right to enjoy life, to be able to work under better working conditions and to continue efforts improving economic and social life.

Tourist activities with proper planning have a positive effect on destinations, and contribute to improving the quality of life of the population because:

- ✓ It serves an additional source of income for the local population;
- ✓ Allows to diversify economic activities in destination;
- ✓ Provides new jobs and increases opportunities for the local population;
- ✓ Tourism is an effective catalyst for the restoration of the traditions of the area, the maintenance and the development of local culture;
- ✓ Increases the level of education and qualification of the local population in order to improve the quality of the services provided to tourists in the destination;

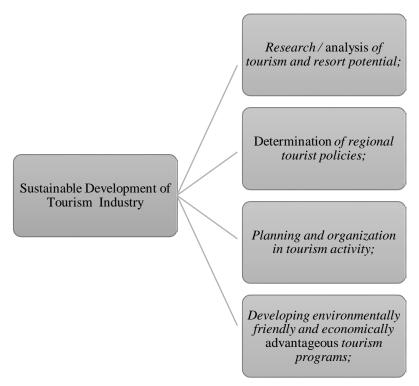
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- ✓ Allows to develop micro, small and medium business for which advertising is a very important factor, proper outdoor advertising and manufacturing give chances to attract new customers;
- ✓ Reduces the isolation of the terrain due to the improvement of transport infrastructure, the emergence of IT technologies and modern means of communication;
- ✓ Improves the quality and accessibility of various services, including health care. The income from tourism is distributed;
- ✓ The income remaining in the region (that part is necessary for a positive change in the quality of life of the population) as income of local entrepreneurs, owners of infrastructure facilities, salary of local staff, income from sales of locally produced food products, income from sales of locally produced souvenirs, payment for maintenance of infrastructure and environmental conditions of the area;
- ✓ Income from the region as income of foreign investors and foreign travel agencies, expenses for the development of tourist products, marketing and advertising, transfers to destination, the cost of importing food, energy, technology, communication systems, highly qualified personnel, industrial goods, services.

Concluding, sustainable development of the tourism industry is a precondition for the solution of many economic and social problems. Precondition of sustainable development of tourism industry is created from different factors, such as:

- Research / analysis of tourism and resort potential;
- > Determination of regional tourist policies;
- > Planning and organization in tourism activity;
- ➤ Developing environmentally friendly and economically advantageous tourism programs (Figure 1).

Figure 1. Factors of Sustainable Development of Tourism Industry



Based on the above mentioned theories and study we can determine the principles of sustainable tourism as follows:

- ✓ Promote the adoption of a full and healthy life in harmony with nature;
- ✓ Contribution to the conservation, protection and restoration of the Earth's ecosystems;
- ✓ Development and application of sustainable production and consumption patterns as a basis for travel and tourism;
- ✓ Peoples' cooperation in the field of an open economic system;
- ✓ The abolition of protectionist tendencies in the provision of tourist services;
- ✓ Obligatory protection of the environment as an integral part of the development of tourism, respect for relevant laws;
- ✓ The participation of citizens of the country in solving problems related to the development of tourism including those relating directly to them;
- ✓ Ensuring the local nature of decision-making in the planning of tourism activities;
- ✓ Exchange of experience and introduction of effective tourism technologies;
- ✓ Taking into account the interests of local population.

What is needed at present is a better understanding of the value changes and interactions, therefore it is important greater participation of local actors as well as high level transnational cooperation are both necessary to cope with current and potential obstacles and to collaboratively seek and develop opportunities of rural tourism development, for sociocultural, economic, and environmental improvements of the country.

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