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2. Review of Literature

2.1 Introduction

Modern tourism is three centuries old. It started in the early 1700s with the Grand Tour by the sons of aristocratic families of north Europe. The industrial revolution and the formation of a wealthy middle class led to travel to locations such as Nice and coasts of Italy, Greece and Canary islands. In the 18th century, Niagara Falls was a much sought after destination (Hundloe, 2002). Today, there is an extensive list of places that competes with Niagara. International travelers increased from 25 million in 1950 to 903 million in 2007 (UNWTO, 2008). Tourism has emerged as the world’s largest industry and even overshadows the world’s biggest trades in oil and arms (Singh, 1997; Clarer-Corkes, Molina-Azorin, & Pereira-Moliner, 2006; Choi & Sirakaya, 2006). New destinations have emerged and a few of the old locations no longer attracted tourists. Various aspects of tourism are subjected to studies. The life cycle of Niagara itself was studied by researchers.

This chapter presents the literature available with respect to life cycle of tourism products. A number of studies are conducted in this area, especially in places like Europe, where tourism rides high. The theoretical background of product life cycle is briefly presented in Chapter 1. This chapter starts with tourism product life cycle before moving on to the indicators of changes that appear in the tourism product life cycle. Several studies have brought out the influence of the attitude of residents and satisfaction of tourists on the development and growth of tourist destinations (Andereck & Vogt, 2000; Chen J. S., 2000; Choi & Sirakaya, 2006; Gursoy & Jurowski, 2004; Gursoy &
Rutherford, 2004; Mason & Cheyne, 2000; Chang, 2008; Dorfman, 1979; Ellis & Vogelsong, 2002; Yuksel & Yuksel, 2002) and these are part of the research objectives of the present study. This review of literature has covered these topics also. An exploratory research to identify the factors that influence the tourism product life cycle is part of the next chapter. More literature that is required to study these factors identified at that stage are reviewed while discussing the methodology followed for studying the factors.

2.2 Tourism product life cycle models

The theory of product life cycle has the potential to be put into practice while planning tourist destinations. This concept provides a framework for understanding the process of change within tourist destinations (Singh, 1998). It provides a tool to conceptually forecast long term changes so that strategies could be evolved for harmonising land use, economic development and marketing (Getz, 1992). According to Tooman, the concept of three stages of evolution was introduced by Gilbert (1939) and Christaller (1963). They introduced discovery, growth and decline as the three stages of evolution of a tourism product (Tooman, 1997a). Destination Life Cycle model offered by Christaller (1963) was more applicable to the European past. The life cycle in the model was characterized by the following transitions:
Destination Life Cycle model offered by Plog (1973) identified three main types of tourists: the allocentric, the midcentric and the psychocentric and attributes the rise and fall of a destination to the psychology of travelers (Tooman, 1997a). *Allocentrics* are individuals who are self confident, curious, adventurous, and outgoing. They delight in new experience and avoid touristic areas. They prefer novel destinations and high level activities. The *allocentrics* are adventurous and enjoy discoveries and new experiences.

*Midcentrics* form majority of the population, and are less adventurous and gives importance to comforts. *Psychocentrics* show a tendency to be anxious. They are self-inhibited and non-adventurous. They show concern for small details and travel less. They prefer to go to a familiar destination, mainly for food and entertainment. The three types of tourists conform to income levels ranging from higher to lower respectively. Plog made a categorisation of destinations as given in Figure 2.1. The life cycle of destinations in the model is characterized by the following transitions:
Allocentrics visit / discover a place. As more allocentrics visit, the location develops a reputation as the ‘in’ place to visit, thus attracting near-allocentrics.

Number of visitors increase, tourism facilities emerge and mid-centricss become attracted.

The midcentrics are in masses and likes the destination accessible, predictable and comfortable.

Heightened popularity convinces the ever less adventurous psychocentrics - who travel less, stay shorter and spend less - to visit. Psychocentrics eventually become the majority and the resort is in decline.

Increased popularity leads to maturation of the destination and development of amenities, services and amusement.

**Figure 2.1: Psychographic positions of destinations by Plog in 1973** (Kotler, Bowen & Makens, 1999)
Butler expanded the model to six stages that correspond closely with the five stage product life cycle. This traditional product life cycle analysis suggests that all tourism destinations are changing continuously and move towards decline or rejuvenation. The six stages introduced by Butler were (i) Exploration, (ii) Involvement, (iii) Development, (iv) Consolidation, (v) Stagnation and (vi) Decline or Rejuvenation (Butler, 2004). This model in the original article by Butler (1980) has attracted the most attention and discussions. Characteristics of each of the life cycle stages in the model are given below (Butler, 2004; Lundrop & Wanhill, 2001):

**Exploration stage:** During the exploration stage, visit is limited to a few adventurous people. Contact of visitors with local people is high and they use their facilities. But there is little social and economic impact.

Summary of characteristics: Few tourists, simple facilities, unspoiled nature, undisturbed local communities

**Involvement Stage:** Visits increase. This induces few of the local people to offer facilities primarily or exclusively for visitors. The locals adjust their social patterns to accommodate the changing economic conditions. Thus tourist destination emerges. Advertising is initiated in this stage.

Summary of characteristics: Local community engaged in tourism, facilities and infrastructure built, tourism associations created, market defined

**Development Stage:** Outside investment is attracted to the destination due to the emergence of a well-defined tourism market. Accessibility is improved. Advertising
becomes intensive. More elaborate and up-to-date facilities replace the local facilities.

There will be a decline in local participation and local control. Artificial attractions replace original ones. Imported labour and auxiliary facilities and services become necessary to support the rapidly growing tourism industry.

Summary of characteristics: Destination well defined, attractions developed, promotional campaigns active, novelty of destination waning away gradually

**Consolidation stage**: The local economy will become depended on tourism. There will be domination by major chains and franchises. Visitors continue to increase, but at reduced growth rates. Marketing efforts are widened to extend tourist seasons and to attract more visitors.

Summary of characteristics: Tourist volume still increasing, but growth rate comes down, tourism is very important for the local economy

**Stagnation stage**: Capacity levels for many relevant factors are reached or exceeded. This will result in economic, social and environmental problems. There will be a tendency to rely on repeat visitors and conventions for business. Artificial attractions replace the natural or cultural ones and the destination becomes no more fashionable.

Summary of characteristics: Highest number of tourists, destination no longer fashionable, problems with environment and culture

**Decline** (first part of stage six): Tourists are drawn away by newer destinations. Those remaining would be weekend or day visitors. Non-tourism establishments replace tourism
facilities as the area disengages from tourism industry. This result in reducing the visitors further and the remaining tourism facilities become unviable. The destination becomes a tourism slum or finds itself devoid of tourism activity altogether.

**Rejuvenation** (second part of stage six): A dramatic change in the resource base is established. A new set of artificial attractions is created or a previously unexploited natural resource is utilized. This can lead to the beginning of another cycle. Otherwise, a permanent decline sets in.

Further to the Stagnation stage, the destination will have two options, decline or rejuvenation. In reality, an outcome could be anywhere between a decline and a rejuvenation stage. The life cycle model of Butler (1980) is regarded as a conceptual framework for analyzing the historical progression of resorts (Buhalis, 2000). The destination life-cycle model introduced by Butler (1980) is also referred to as resort-cycle model (Tooman, 1997a). Most researchers do not discount Butler’s model because the first stage may have been skipped. Shalini Singh cites the examples of Cancun in Mexico, Languedoc-Rousillon in France and Disney Land in the US that have sidelined the early few stages (Singh, 1998). The weakness of the model is cited to be its failure to observe the final two or three stages. The model regards the stresses on the physical or social dimensions of the region as the factors causing decline of the destination. Other than these endogenous factors, exogenous factors also can lead to decline of a destination. Whatever is the number of development stages, all the product life cycle stages were observed to follow the same S-shaped curve, when represented on a normal distribution
graph (Singh, 1998). Oppermann puts the model as more descriptive than normative (Oppermann, 1995).

Problems with the life cycle concept of Butler (1980) were further identified by Cooper and Jackson (1989) in the case of resorts. The life cycle model is destination-specific and reflects policy decisions made for the destination. The current stage of any resort in the life cycle model is difficult to establish as there is no single measure that summarises all aspects of resort evolution. Measures taken for development, evolution of facilities and evolution of administrative structure, all contribute to the evolution of resorts.

Kyungmi Kim made an abstract of the characteristics (Table 2.1) of the tourism development stages from the studies she referred (Kim, 2002). Though Kim referred the literature that proposed modifications or additions to Butler’s stage model, she used a four stage model in her study of tourism impact on the quality of life of residents.
<table>
<thead>
<tr>
<th>Characteristics</th>
<th>Beginning</th>
<th>Growth</th>
<th>Maturity</th>
<th>Decline</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of visitors</td>
<td>• Small number of tourists (annually less than 5% of the peak year)</td>
<td>• Tourists equal or exceed the residents</td>
<td>• Heavy reliance on repeat visits</td>
<td>• No vacationers, but day trip and weekend trip</td>
</tr>
<tr>
<td></td>
<td>• Allocentrics</td>
<td></td>
<td>• Organized mass tourists</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Explorer</td>
<td></td>
<td>• Psycho centric</td>
<td></td>
</tr>
<tr>
<td>Market</td>
<td>• Irregular visit pattern</td>
<td>• Well defined tourist market</td>
<td>• Frequent change in ownership</td>
<td>• Property turnover is high</td>
</tr>
<tr>
<td>Attraction and Facilities</td>
<td>• Non-local visitors attracted by natural features</td>
<td>• Natural attraction supplemented by manmade facility</td>
<td>• Well established but no longer fashionable</td>
<td>• Tourist facilities disappear</td>
</tr>
<tr>
<td></td>
<td>• No specific facilities</td>
<td>• Up-to-date facility for visitor accommodation</td>
<td>• Surplus beds available</td>
<td>• Hotels become condominiuems, retirement homes or apartments for the elderly</td>
</tr>
<tr>
<td>Economic significance of tourism</td>
<td>• Little significance to the economic and social life of the residents</td>
<td>• High contact between locals and tourists</td>
<td>• Capacity level reached; onset of environmental, social, economic problems</td>
<td>• Negative travel balance</td>
</tr>
<tr>
<td></td>
<td>• Limited amount of receipts</td>
<td>• Positive and growing travel balance</td>
<td>• Rapid growth in tourism imports</td>
<td></td>
</tr>
<tr>
<td>Involvement of organization</td>
<td>• Low</td>
<td>• Heavy advertising</td>
<td>• Needed new development</td>
<td>• Likely increase</td>
</tr>
</tbody>
</table>

Note: These were abstracted from Butler (1980); Haywood (1986); Plog (2001); Toh, Khan, & Koh (2001) by Kim.
2.3 Application of life cycle models

The applicability of the life cycle model in planning and management of tourist areas and the issues involved in making it operational are discussed by Haywood (1986).

According to Haywood, a method for identifying the stage in a life cycle is to plot yearly trend data. Here, the unit of analysis that defines the tourist area could be a facility, town or region. Different segments in the relevant markets may display different growth and decline trends and hence the life cycle curve can have different patterns and stages. Haywood also admits that there could be difficulties and issues in identifying the stage of the unit of analysis in the life cycle.

Empirical studies that examined the life cycle concept in specific resorts are cited in the literature. These include the following:

- The resort Atlantic City in New Jersey is one destination that closely typifies the Butler’s six stage model. In this case, the first two stages were skipped, but the latter four stages were fully distinguishable. The resort restored its lost tourist attractiveness when it introduced legalised gambling. With the introduction of gambling the decline was followed by rejuvenation. The market segment thus shifted from ‘elite’ to ‘mass’ tourists. There was an external factor – the general urban decay in US – which also contributed to the decline of the resort (Study by Stansfield, 1978, cited by Getz, 1992; Tooman, 1997a).

- The life cycle model could not adequately explain the rise and fall of tourism in Lancaster County, Pennsylvania. Sometimes, exogenous forces also lead a destination to stagnation and decline. The significant decrease in tourism in
Lancaster County in the late 1970s was not attributed to the changes in the destination. The exogenous forces that caused the decline were the publicity received for the outbreak of polio among the Amish population, the Three Mile Island accident\(^1\) nearby, and the second oil shock of the late 1970s (Hovinen, 1981 cited by Tooman, 1997a). The decline was also related to three related factors: relative location and accessibility, diversity of the tourism base, and effectiveness of better planning (Hovinen, 1982 cited by Getz, 1992).

- The evolution of Grand Island Resort on the Louisiana coast was attributed to environmental processes like erosion and storm damage. This was a study of environmental factors (Meyer – Arendt, 1985, cited by Getz, 1992).

- A positive evolution, which was mistaken for a “decline”, is referred in the case of a cottage resort - Wasaga Beach, Ontario, Canada. A decline in the average length of stay was matched by an expansion of second home development, which renewed the prosperity of the town (Strapp 1988, cited by Getz, 1992).

- The destination life cycle of Isle of Man\(^2\) closely corresponds to the life cycle model. The decline was attributed to the general loss in popularity of British seaside resorts and failure to stay competitive. But it is concluded in the study that life cycle model could not be used as a forecasting tool or for strategic management in the Isle of Man case. The utility of the model is in describing and

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\(^1\) Three Mile Island accident is the accident that occurred at the Three Mile Island Nuclear generating Station, located at Pennsylvania in 1979.

\(^2\) The Isle of Man is located in the Irish Sea halfway between Britain and Ireland. It is self-governing and while it is part of the British Isles, it is not officially a part of the United Kingdom. The capital city is the resort and port of Douglas
analyzing tourism development and highlights the value of studying the factors influencing them (Cooper & Jackson 1980, cited by Getz, 1992).

- Another destination is the Cayman Islands in the Caribbean. Here a resort was created which skipped the first stage of the life cycle of the Butler’s model. A deviation could be seen after the development stage, when the participation of the local people increased due to government policies. This helped a prolonged maturity stage. Weaver suggested the need for modifications in the Butler’s model to make it applicable to Third World Countries (Weaver 1990, cited by Tooman, 1997a; Douglas, 1997).

- A comparative picture of tourism development in three countries – Papua New Guinea, Solomon Islands and Vanuatu, collectively known as Melanesia - that have several similarities finds that the rates of tourism development are different and observes deviations from the Butler’s model. The colonial history of each country has influenced the rate of growth of tourism as well as in the type of tourism development (Douglas, 1997).

A study conducted at St. Lucia defined Life Cycle Assessment as a form of analysis used to identify inputs and quantify environmental impacts during the stages of the life cycle (UKCEED, 1998). One of the components of the assessment was an inventory analysis. The analysis attempted to quantify the inputs and outputs associated with the tourism products in terms of energy and raw materials used, emissions to the atmosphere, discharges to water and depositions to land. The study then assessed the environmental impact with regard to water pollution, air pollution, noise, aesthetic damage, habitat loss, natural resource exploitation and disruption of natural cycles. The life cycle assessment
relied on quantitative data that were often hard to find or unavailable for tourism products.

The UKCEED study found that the greatest environmental impacts from tourism came from infrastructure development and inadequate waste management. The general impacts of tourism on St Lucia as revealed in the study are given in Table 2.2.

**Table 2.2: Tourism development activities and its impact observed at St. Lucia**

<table>
<thead>
<tr>
<th>Activity</th>
<th>Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Site and infrastructure development</td>
<td>Land consumption, habitat loss and disturbance to ecosystem</td>
</tr>
<tr>
<td>Construction of hotels and roads, and artificial beach maintenance</td>
<td>Destruction of coral reefs, increased sedimentation from land clearing</td>
</tr>
<tr>
<td>Operation of defective waste water treatment plants in hotels</td>
<td>Water pollution</td>
</tr>
<tr>
<td>Following inadequate solid waste management and disposal system</td>
<td>Leaching of pollutants from land fill sites</td>
</tr>
<tr>
<td>Water sports</td>
<td>Water pollution, damages to reefs</td>
</tr>
</tbody>
</table>

Source: (UKCEED, 1998)

Though it is argued that plans can be formulated to control changes if the changes can be predicted, Getz (1992) raised the question whether the life cycle model is truly predictive and whether the planners and policy makers are able to make use of it in the case of resorts. The life cycle concept is tested empirically against observed development trends in Niagara Falls, with emphasis on planning in Canada and the United States by Getz (1992). The development history of Niagara Falls discussed by Getz is compiled as given below:
<table>
<thead>
<tr>
<th>Year</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>1678</td>
<td>Discovery of the falls by Europeans</td>
</tr>
<tr>
<td>1812 to 1814</td>
<td>Battles along the Niagara frontier as a result of the British – French and American – British conflicts. Substantial settlement and tourist traffic came in the wake of the war</td>
</tr>
<tr>
<td>1820s</td>
<td>Canadians were grabbing the tourist trade</td>
</tr>
<tr>
<td>1825</td>
<td>Completion of nearby Erie canal</td>
</tr>
<tr>
<td>1827</td>
<td>Americans lined the river bank with 10000 excursionists</td>
</tr>
<tr>
<td>1830s</td>
<td>Horse-drawn trains provided access to both sides of the river</td>
</tr>
<tr>
<td>1833</td>
<td>Completion of Welland canal</td>
</tr>
<tr>
<td>1833</td>
<td>The first built attraction, Terrapin Tower, was completed</td>
</tr>
<tr>
<td>1840s</td>
<td>Steam trains provided access to both sides of the river</td>
</tr>
<tr>
<td>1855</td>
<td>A railway bridge crossed the ravine and connected both the rail systems</td>
</tr>
<tr>
<td>1850s</td>
<td>The trains were bringing 60000 visitors a year to the towns on the cliffs</td>
</tr>
<tr>
<td></td>
<td>The falls became a honeymoon centre because of its easy access</td>
</tr>
<tr>
<td></td>
<td>The population of Niagara Falls, New York was about 2000 persons</td>
</tr>
<tr>
<td></td>
<td>Rapid and uncontrolled tourism development leading to commercialization of the area around the falls and the best view points</td>
</tr>
<tr>
<td></td>
<td>Criminals, especially on the Canadian side, surface and trouble tourists</td>
</tr>
<tr>
<td></td>
<td>Predominant season remained as summer</td>
</tr>
<tr>
<td>1880</td>
<td>Tourism became the dominant industry, especially on the Canadian side</td>
</tr>
<tr>
<td>1885</td>
<td>New York established its state park</td>
</tr>
<tr>
<td>1887</td>
<td>Niagara Parks Commission (NPC) was created by the Province of Ontario. The mandate given to the Commission was to purchase land and preserve, restore, and beautify the parks for public enjoyment</td>
</tr>
<tr>
<td>1890s</td>
<td>The two park systems pulled back the commercial development from the immediate falls area on both sides</td>
</tr>
<tr>
<td>1920s</td>
<td>Rapid expansion of automobile traffic and strip development on approach highways to the falls</td>
</tr>
<tr>
<td>1974</td>
<td>Beginning of a new Tourism Centre - Completion of international convention centre; Master plan for an urban renewal area of about 82 acres called the Rainbow Centre to create a multifunctional centre for tourism – conventions and trade exhibits, retailing and entertainment</td>
</tr>
<tr>
<td>1989</td>
<td>Announced construction of a factory outlet “mega mall”, with intended completion in 1992: 1.2 million square feet of retail space, a hotel and large parking area</td>
</tr>
</tbody>
</table>
The Tourism Centre on the American side became a competitive threat to the Canadian side. Even Canadian hoteliers purchased and upgraded land in the Tourism Centre, taking advantage of the tax incentives not available in Canada. In the case of Niagara Falls, no permanent decline is foreseen. Elements of consolidation, decline and rejuvenation are seen to co-exist (Getz, 1992).

Norbert Vanhove refers to the mature tourist destinations in Spain, which he corresponds to the 'stagnation' stage of the Tourism Product Life Cycle Model (Vanhove, 2005). Mass tourism occurred primarily on the Mediterranean coastline of Spain in the 1950's and 60's. At the end of the 1980's they had become saturated with tourists and no longer offered new attractions. Quality of tourist services had diminished with the rise of competition by new destinations in the Caribbean, the Pacific and the Indian Ocean and income was decreasing. Development of new forms of tourism like rural tourism and urban tourism, that offered new and different activities from the sun and beach of the traditional destinations also contributed to this decline.

Tourism is the largest industry in Barbados in the Caribbean and the status of tourism in Barbados was suggestive of the saturation stage when the Cricket World Cup was hosted by the West Indies in 2007. The tourism industry in Barbados was made up of all-inclusive resorts/hotels and 4S tourism (sun, sea, sand and sex). The development that has taken place for hosting the Cricket World Cup in 2007 was in a way to rejuvenate the existing tourism product and its infrastructure, especially in the accommodation sector (Jonsson & Devonish, 2007).

Butler made a revisit to his original paper and discussed the relevance of Tourism Area
Life Cycle more than two decades later (Butler, 2004). Butler argues that tourism is a fashion industry and destinations inevitably change. Demand for new destinations, entrepreneurial nature of individuals, the encouragement of municipalities and corporations due to the good economic returns resulted in emergence of competing destinations. “Old resorts can still be competitive and attractive to a modern market, if they are well managed and appropriately marketed (Butler, 2004, p. 163)”. Only few destinations can remain unchanged to retain the market share. The rejuvenation stage instead of decline cannot occur by accident, but requires planning, consultation and application of specific strategies.

2.4 Indicators of life cycle stages

In tourism, the product may denote a resort, a destination, a tourist area/site, a service, a hotel or even an agency. The first decision in a study of the application of the Product Life Cycle concept would be to decide the set of variables that has to be selected for the study (Singh, 1998).

Butler in his original paper regarded the strain on the physical resources as an important factor in causing decline of a destination. In the paper he has discussed the role of exogenous factors, other than the endogenous factors, in causing the decline of a destination. Dabbage (1990) referred to the life cycle of resorts focusing on visitor numbers and capacity thresholds. This focus is controversial according to Getz (1992). The argument by Martin and Uysal (1990) was that each stage in the life cycle has different capacity thresholds and requires distinct policy responses as given in Table 2.3 (Martin & Uysal, 1990).
Table 2.3: Capacity thresholds and the corresponding policy responses required in the life cycle stages

<table>
<thead>
<tr>
<th>Stage of life cycle</th>
<th>Capacity thresholds</th>
<th>Policy response</th>
</tr>
</thead>
<tbody>
<tr>
<td>Exploration stage</td>
<td>Capacity nearly infinite on a social level</td>
<td>Planning action for regulations and environmental protection</td>
</tr>
<tr>
<td></td>
<td>Limitations due to lack of infrastructure</td>
<td></td>
</tr>
<tr>
<td>Growth and maturity</td>
<td></td>
<td>Management of change to prevent deterioration or decline</td>
</tr>
<tr>
<td>Stagnation stage</td>
<td>Infrastructure limitation may not be there and many tourists could be accommodated.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Social problems generate resident opposition to growth</td>
<td></td>
</tr>
<tr>
<td>Decline</td>
<td></td>
<td>Decisions whether to try to rejuvenate and on what means</td>
</tr>
</tbody>
</table>

Source: (Martin & Uysal, 1990)

Due to the special nature of tourism, competition between destinations is increasingly a matter of innovation. Hence innovation could be a factor influencing the life cycle of a tourism product. Butler added two more elements in his revisit to his model – exogenous forces and triggers of change – to the five key elements identified as dynamism, process, carrying capacity, management and the spatial component (Butler, 2004). According to him, carrying capacity is still at the heart of the model that limits growth of a destination. At some point of time in the course of growth of a destination, the developments could exceed its level of appropriateness and thus the carrying capacity. This would lead to a decline in the visits followed by a decline in investment, resulting in reduced attractiveness and further decline in visits.
The carrying capacity is the number of visitors that can be catered to in a resort before the tourist experience declines and the resort becomes less attractive as a destination. It is also the ceiling or saturation level whereby the population is the largest which can be supported without causing damage to the environment. The concept of capacity thresholds with respect to Canadian Niagara falls was brought out by Getz (Getz, 1992). The capacity thresholds were reflected subjectively by the following factors:

- Poor visual amenity
- Traffic and parking problems
- High density of accommodation much above the capacity
- High percentage of repeat visits as an indicator of stagnation (71% in 1981 and 80% in 1988)

Attempt was also made to differentiate the life cycle stages in the case of Niagara falls (Getz, 1992). The Stages and indicators considered by him were as follows:

<table>
<thead>
<tr>
<th>Stage</th>
<th>Indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td>Exploration</td>
<td>o Small numbers of “explorers” or “allocentrics”</td>
</tr>
<tr>
<td></td>
<td>o Little or no tourist infrastructure</td>
</tr>
<tr>
<td></td>
<td>o Natural or cultural attractions</td>
</tr>
<tr>
<td>Involvement</td>
<td>o Local investment in tourism</td>
</tr>
<tr>
<td></td>
<td>o Pronounced tourist season</td>
</tr>
<tr>
<td></td>
<td>o Advertising the destination</td>
</tr>
<tr>
<td></td>
<td>o Emerging market area</td>
</tr>
<tr>
<td></td>
<td>o Public investment in infrastructure</td>
</tr>
</tbody>
</table>
Development
- Rapid growth in visits
- Visitors outnumber residents
- Well-defined market area
- Heavy advertising
- External investment leads to loss of local control
- Man-made attractions emerge to replace natural or cultural
- “Mid-centrics” replace explorers and “allocentrics”

Consolidation
- Slowing growth rate
- Extensive advertising to overcome seasonality and develop new markets
- “Psychocentrics” attracted
- Residents appreciate the importance of tourism

Stagnation
- Peak visitor numbers reached
- Capacity limits reached
- Resort image divorced from the environment
- Area no longer fashionable
- Heavy reliance on repeat trade
- Low occupancy rates
- Frequent ownership changes
- Development peripheral to original developments

Decline
- Spatial and numerical decrease in markets
- A move out of tourism: local investment might replace abandonment by outsiders
- Tourism infrastructure is run-down and might be replaced by other uses

Rejuvenation
- Completely new attractions replace original lures or new natural resources used
In the case of Niagara Falls, the ‘exploration’ and ‘involvement’ stages were present. The development stage was for about 60 years (between 1820 and 1880). Getz considered the 1990s as the ‘consolidation’ stage. Main points of departure were the following:

i. Visitor numbers exceeded resident population right from the beginning

ii. Public investment in infrastructure did not occur until the parks were established

iii. There is a blurring of ‘involvement’ and ‘development’ stages

iv. International market was assured and man-made attractions never replaced the natural

v. Heavy advertisement in the development stage did not happen and happened only after convention and visitor bureaus were created.

vi. In the ‘consolidation’ stage, there is no evidence of slowing growth or replacement of the mid-centric market.

vii. No dating of the hypothetical stages was possible, especially those that correspond to the latter stages of the model

As suggested by Hovenin (1982), with regard to Lancaster County, “maturity” is a better expression for the stage in 1990 for Niagara Falls as no permanent decline was foreseen. Elements of consolidation, stagnation, decline and rejuvenation co-exist. There is a constant battle to remain competitive and profitable, both at the micro and macro levels.

The influence of external factors affecting tourism cannot be undermined, though controlling these factors at local level is nearly impossible. An article published on Hawaii’s Economy brought out the following external factors that affected Hawaii tourism (Department of Business, Economic Development & Tourism, 1996).
Changes in transport facilities

Before World War II, Hawaii’s visitor industry was limited mainly to those who could afford the time and cost of a luxury ocean voyage. In the 1950s and 1960s, bigger and faster long haul passenger aircrafts increased visitor arrivals to Hawaii at about 20 percent annually. In the 1970s, annual growth in arrivals averaged about 8 percent and in the 1980s, growth slowed to a 6 percent pace.

Changes in the structure of the commercial air transportation system have favoured high-volume, medium distance routes over long-haul routes in terms of fares and seat availability during the mid-nineties.

World economy

Recession and financial difficulties experienced in US in the early 1980s slowed visitor arrivals. Total arrivals declined an average of about 4 percent per year between 1990 and 1993, and 12 percent overall. A prolonged recession in California, Hawaii’s most important mainland market had an adverse impact on Hawaii tourism in the mid-nineties. California suffered nearly a decade of cutbacks in aerospace, defense, and high technology. Slower growth in per capita income in US during the nineties is also quoted as a possible reason for the reduced growth potential of the US market.
Competing tourist facilities

The decline was also a result of a redistribution of tourism geographically among the countries. Competition from emerging resort destinations in Mexico, Florida and the Caribbean, as well as alternative forms of recreation such as major theme parks and the lure of gaming, which has spread to many new locations in US, contributed. The 1980s in particular, the visitor rooms on the Neighbor Islands increased from about 37 percent in 1980, to 49 percent in 1992. Hawaii's promotional message was not breaking through the crowded advertising market, stepped-up ad campaigns from new and existing resort destinations, as well as other vacation travel choices.

Changing profile of tourists

The changing visitor profile of Hawaii, from a higher share of US visitors and lesser share of Asian visitors, to a declining share of US visitors and an increasing share of Asian visitors, also had its impact on the economy. The US visitors were staying for 10 days on an average whereas Japanese visitors stayed on an average for six days. Thus the duration of stays overall got reduced which reflected in factors like hotel occupancy, profitability, and ultimately job creation in the tourism industry. It was found that five Japanese visitors were needed to make up the loss in visitor days by three US visitors.

Though the Japanese stayed for shorter duration, their rate of
spending was $341 per day in 1994 compared with $133 per day for US visitors. Thus, Japanese visitors spent around $2,000 per person during their entire stay in Hawaii, compared with about $1,300 for U.S. visitors. But the higher level of spending by Japanese was on shopping for goods such as clothes and personal items, most of which were not made in Hawaii. On an average, the Japanese spent about $113 per day for these items compared to only $16 per day spent by US visitors.

Impact of repeat visitors

Repeat visitors tend to take in fewer attractions and tours, and spend about 13 percent less overall (in 1993 in Hawaii) than first-time visitors. In the 1950s, roughly 75 percent of all visitors were on their first trip to Hawaii. But by 1994, only 34 percent of US visitors to Hawaii were first-timers. In the case of Japanese visitors, 56 percent were first-timers to Hawaii in 1994.

The perspective of limiting the growth of tourism by relating it to the carrying capacity can be termed as resource – based tradition. But the resource-based idea is problematic since tourism is a dynamic activity and the changes that occur are permanent in nature (Saarinen, 2006). New attractions or marketing schemes introduced in the stagnation stage of a destination can rejuvenate the destination and the cycle can begin again (Tooman, 1997a). This rise in the life cycle challenge the role of carrying capacity and the resources used in the extended life of the destination. By introducing new facilities and infrastructure, the limits of growth can be modified and taken to newer heights. Indicators of this kind of activity-based tradition reflect the relation between activities
and development. It is possible that the resource-based capacity is surpassed even while within the limits of activity-based capacity. Community-based tradition follows setting of the limits of growth through negotiations and participation, ensuring more benefits to the local population (Saarinen, 2006). The three traditions in a way explain the life cycle evolution of a destination in three different scenarios.

A study aimed at analyzing the decline of tourist destinations and to identify causes of tendencies of decline was carried out for the European Commission (Manente & Celotto, 2004). The study redefined a declining destination as a destination with a certain tradition in providing tourism, but characterized by one or more negative trends. The negative trend referred not only to the decrease in demand, as in the Butler’s model, but also to different signals like the following:

- Decrease in the elements defining quality of the destination
- Decrease in the competitive success of the destination (market share)
- Difficulty in assuring sustainable tourism
- Decrease in the average tourist expenditure

These signals are results of external factors or internal factors or both. The external factors discussed in the study included the following:

- Causes beyond one’s control (wars, epidemics, earthquakes, climate or political changes, etc.)
- Emergence of new competitors for one or more of the tourist products supplied by the destination
- Negative publicity

- Failure to communicate the destination’s image

The internal factors considered in the study were:

- Product obsolescence with respect to requirements of demand

- Physical deterioration of the environment / heritage

- Congestion; reaching/exceeding of carrying capacity threshold

The study by Mara Manente and Emilio Celotto brought out a set of qualitative and quantitative level indicators in order to monitor the evolution of the destination according to the Tourist Area Life Cycle phases (Manente & Celotto, 2004). Qualitative measurement was used in the study when hard quantitative data was not available and when the uncertainty made the qualitative measurement useful. Values were attributed to the indicators with respect to its evolution in time. Since the number of variables/indicators, which can be collected / evaluated to monitor the performance of a destination, is potentially very large, the study used the following criteria for the selection of the indicators:

- The data to build the indicator are obtainable. In case the data are available but difficult to retrieve, the usefulness of the indicator was assessed with reference to the resources (in terms of both time and money) needed to build it.

- They are credible and easy to understand so that they provide credible information to tourism managers who have varying perspectives, priorities and knowledge.
• The effectiveness in achieving awareness of change from sustainability stage to decline stage.

• Ability to detect destination trends over time.

• Comparability of the indicators in order to spread experiences throughout a large number of destinations.

• Possibility of summarizing different indicators with few integrated, easily understandable, composed indicators and of communicating results by means of graphical tools.

The study grouped the selected indicators into a first set of indicators that described the state of the art and a second set of indicators that described interactions between destination’s environmental, social and economic structure, and incoming tourism.

Though tourism has changed over time, there are still constant themes like the sun and the coastal destinations (Hundloe, 2002) that promote mass tourism. The mass model of sun and beach tourism, which is characteristic of the Mediterranean coastline, has caused the urban, demographic and economic growth of small coastal towns once inhabited by farming and fishing families. Eventually, they came to make their living from tourism and resulted in the degradation of their natural setting. Tourism was considered as a smokeless industry that reaps benefits with fewer financial resources and causing negligible damage on human society and nature. The undesired growth of tourism has damaged the natural and socio-cultural environments of many tourism destinations. (Choi & Sirakaya, 2005; Choi & Sirakaya, 2006). The emergence of sustainable tourism is a result of the compacting measures to overcome the negative impacts of traditional
tourism, intended to improve the quality of life of the host community, improve the quality of visitor experience and maintain the quality of environment (Choi & Sirakaya, 2006).

On one hand, this degradation could be attributed to the enormous proliferation of tourism infrastructures and facilities, both of accommodation and of complementary services for tourists (bars, restaurants, discotheques, golf courses, water parks, etc.). On the other hand, the presence of thousands of visitors year after year (contamination, overexploitation of resources, etc.) also contributed. Maintenance of resources that are vulnerable to damage due to tourism is emerging as a core destination management activity (Fuchs & Weiermair, 2004). Over the years, the coastal scenery of the Mediterranean gradually changed to grey concrete replacing the green trees.

Shalini Singh observed that the product life cycle concept is related to variables like visitor types, visitor volume and frequency, destination attractiveness, marketing dynamics (eg., segmentation, advertising, and sales), and student response (Singh, 1998). She also points out that several empirical studies have successfully adopted the model to examine the phenomenon of tourist area development. Tourism scholars used the tourist market as the most and only indispensable variable to study the Product Life Cycle. But according to Shalini Singh (1998), a number of variables could serve as unavoidable factors in the evolution of life cycle stages. She broadly categorized these factors into resource quality (natural and cultural), tourists (arrival numbers, stay, typology spending patterns and satisfaction), development activity (pace of change and scale of operations), Government interventions (policy controls), commercial activity (field of
influence/market locations, marketing strategies), infrastructure (bed capacity, transport, transport linkages and other support structures), economic indicators (income generation, job creation, multiplier effects, leakages), and community response (level of tolerance – adoption/adaptation/hostility/seclusion).

Considering the changes that tourism brings to the community life, indicators are developed to measure community tourism development within a sustainable framework (Choi & Sirakaya, 2006). Using Delphi technique, Choi & Sirakaya classified the indicators in six dimensions – economic, social, cultural, ecological, political and technological dimensions. Indices of sustainable development generated in empirical studies were incomplete since these indices did not cover all dimensions of sustainable development. The study by Choi & Sirakaya claimed to have bridged this gap. But operationalizing the indicators and to create a set of indicators were left to the future researches.

Innovations in tourism lead to major changes (Keller, 2004). Basic innovations in the transport field like the inventions of the railway, the automobile and the plane revolutionised the industry. During the 19th century, Thomas Cook was pioneering package tours, which standardised and industrialised the tourism dream for an ever-greater number of visitors. Later, tour operators invented the charter flight as a way of dealing with the inevitable seasonal peaks in air travel and to make flying cheaper.

Economists regarded innovations as accidental events and assumed that innovations could not be planned and produced at will. But in large tourism industry firms, innovations are a matter of routine and programmed by the enterprise, though in Small
and Medium-sized Enterprises (SMEs), the innovation process does not function in a satisfactory manner. Tourism is primarily comprised of small and medium sized enterprises (Fletcher & Cooper, 1996). Effective planning and management is a pre-requisite for the successful utilization of tourism as an agent of change.

Attractions are the raw materials of tourism. It is with this raw material that the market creates destinations. The local attractions like a protected landscape or land reserved for agricultural use can also limit the product innovation possibilities. For example, a seaside resort cannot be transformed into a mountain retreat. Most of the literature with applications of life cycle has focused on beach resorts and very few in heritage tourism (Russo, 2002). Russo observes that tourism attractions in heritage cities are hardly reproducible. At the same time, the heritage attractions used to occupy the central space of an urban area. The pressure of tourism on the limited urban facilities and land force the firms and residents to disperse. New hotels, recreation areas and transport terminals get dispersed and the tourist region expands. Russo has explained a vicious circle in the life cycle of heritage sites, along with its application to the heritage destination of Venice, starting from this expansion of tourist region. More tourists would be spending a major share of their budget outside the central area and most of the visitors to the central area would become day-trippers. The day-trippers cause more congestion than overnight stays and also cause a drain in the resources needed for maintaining the heritage. Thus the quality of the products decline, congestion makes it more costly to choose central accommodation facilities, demand for non-central facilities increases. This would lead to the next phase of the vicious circle beginning with further expansion of the urban region.
Heritage tourism is assumed to have higher local benefits and lower local costs than beach resort tourism. The shift from ‘blue’ (beach resort tourism) to ‘gray’ (heritage based tourism) has desirable as well as undesirable consequences. The consequences according to Ashworth are (Ashworth, 2003):

- ‘Blue’ to ‘Grey’ shift is assumed as a move ‘up market’,
- Not dependent on destination weather characteristics,
- Use of the historic fabric that are under used or disused in the tourism regions,
- Direct earning from tourism may generate enough fund to meet costs of restoration and maintenance.
- Length of stay at heritage tourism destinations is much shorter than in beach resorts. Centuries of historical experience and cultural productivity are consumed in a few days. In smaller cities the stay could be measured in hours. An individual heritage museum, building or site, however important, will have average stay that could be measured in minutes than in hours.
- Beach resorts may develop substantial numbers of return visits to the region and even to a specific resort or hotel. In the case of heritage tourism, once experienced, a repeat is superfluous and looks for the experience elsewhere.

There are a few examples of successful diversification from tourism. Certain regions have managed to somewhat reduce their dependence on tourism, like in the case of the
Italian Dolomites\textsuperscript{3} through the manufacture of optical products. The slowed down market growth rate would be followed by a declining market share if the product fails to adapt to changing consumer desires and tastes. A product in the mature stage could be "reinvented" to stimulate growth by broadening its market. Services such as tourism may be particularly adept at this kind of transformation. For instance, in response to the proliferation of gaming activity in other states, Las Vegas has developed theme parks and family-oriented entertainment to reposition itself and attract new markets.

The fate of destinations depends on a great many independent variables like the location and potential of source markets and accessibility as expressed in transport and time-related costs. As the destinations tend to be more distant, the travel would cost more. Travelers may stay longer in such destinations to justify higher expenses. It is also brought out through research that the travel pattern changes as an individual moves through his/her life span and/or family career (Oppermann, 1995).

2.4.1 Attitude of residents as an indicator

It is often stated that at the consolidation stage of the Life Cycle model of a destination, a number of undesirable social impacts emerge including crime, resident irritation with tourism and over-crowding. The residents recognized employment opportunities, income from taxes and increased quality of life as positive impacts of tourism. In the early days, the emphasis was only on the positive impacts of tourism. But today, the negative social, economic and environmental impacts of tourism are also given due attention (Harill &

\textsuperscript{3} Dolomite is a chemical, a double carbonate of calcium and magnesium occurring as crystal or in granular masses. The reference is for a rock of this chemical in Italy which they could use for the manufacture of optical products. The reference here is for the Dolomite mountains in Italy where tourism activities like trekking is popular
Potts, 2003). Associated with Butler’s life cycle theory is Doxey’s Irritation Index which describes resident-visitor interactions and relationships. It has four steps, (1) Euphoria, (2) Apathy, (3) Irritation or annoyance and (4) Antagonism, where the host irritation increases through the stages 1 to 4 (1=low irritation, 4=high irritation). This framework has a limitation that it assumes that it is the whole community that becomes hostile to tourism. But often communities cannot be seen as having homogeneous character and different sections of the community have different reactions. For example, entrepreneurs or the unemployed are likely to welcome any growth in tourism. According to Nagle (Nagle, 1999), the changes in the attitude are as given below:

Though the Doxey Irritation Index is simplistic, it does indicate that an unbridled development will create such social change that at least some residents will develop attitudes antagonistic to tourism and tourists.
Kotler used the term “attractions” to cover physical features and events that appeal to citizens, new residents, visitors or businesses, and investors. The residents of a city are often divided over the desirability of attracting large number of visitors. The following social costs are cited by its critics (Kotler, Haider, & Rein, 1993)

i. The visitors might damage the environment by abusing facilities and nature. The Finnish people, for example, resent German vacationers who often come in large numbers, stay at camping grounds, leave litter, and spend little money.

ii. Some visitors might be undesirable. Amsterdam’s reputation as a very tolerant city attracts a large number of “flower children” and drug users, with the consequence of an increasing crime rate.

iii. The visitors often come during seasons that crowd the facilities the indigenous population would normally use. Residents living in the French Riviera complain that they can hardly use their beaches in August because of the huge influx of tourists and traffic.

iv. Tourism gives rise to low-paying jobs in service industries – restaurant and hotels – which may be less desirable than other patterns of business developments. Andreas Papandreou, the former Greek Prime Minister, resisted developing Greek tourism further by saying that he didn’t want to turn Greece into a nation of waiters.

A study on the attitudes of residents in a rural region of New Zealand towards a proposed tourism development was not in agreement with the Doxey’s Irritation Index. Though
respondents who participated in the study were generally supportive of the tourism venture, the study also came across significant number of respondents who opposed the development. Thus the residents were not that “euphoric” about the development. It was also found that women were generally more opposed than men to the development due to perceived negative benefits (Mason & Cheyne, 2000).

Cohort studies in tourism also have measured the attitude of residents. Cohort analysis measures changes in individual attitudes using time related effects like age (changes in attitudes produced by age groups), period (changes in attitude as a result of unique events and environmental changes), and birth effects (changes in attitude due to unique experience or socialization of their generation). Chang Huh and Christina A Vogt studied the attitude of residents towards tourism in a community in transition from fisheries to tourism. Middle aged cohorts (age 45 to 64) were found to have less favourable attitudes towards tourism’s economic impacts in comparison to young adult cohort (age 25 to 34). The inference was that the middle aged adults must have experienced the economic contribution of the fisheries industry and did not appreciate the contribution of tourism to the welfare of the community compared to fisheries. Whereas, young adults must have perceived tourism as the best future economic opportunity compared to the middle aged cohorts (Huh & Vogt, 2008).

McCool and Martin (1994) examined 27 impact attributes on the residents of rural communities, and the same were used by Joseph S Chen (2000) after validating the impacts in the context of urban residents. Chen measured these attitudes of the residents on a 5-point Likert-type scale with 1 = strongly disagree and 5 = strongly agree. Because
McCool and Martin’s impact scale was used for the assessment of rural residents’ attitudes toward tourism, the wording of the scale was modified slightly by Chen to better fit the measurement of residents’ perceptions of tourism in an urban setting. He defined “community loyalty” as residents’ willingness to attract more tourists into the community, as articulated by the Social Exchange Theory. According to the theory, the residents will be inclined to exchange their resources with tourists if they can acquire some benefits without incurring unacceptable costs (Jurowski, Uysal, & Williams, 1997; Jurowski & Gursoy, 2004; Turner, 1986; Andriotis, 2005). The residents will support tourism development if they perceive that valued personal benefits of tourism outweigh personal costs through the exchange process. As long as the exchange is perceived as equitable, the involvement of residents in the tourism industry will be either active, like taking up employment or engaged in planning of activities, or passive like tolerating inconveniences associated with tourism or extending hospitality to tourists (Madrigal, 1993). An apprehensive attitude of residents towards tourism is also attributed to the questionable remuneration levels and the enormous social and cultural implications of tourism (Liu & Wall, 2006). A study that examined the factors that predicted the attitude of residents in Arizona, did not support the Social Exchange Theory fully. It was found that the existence of personal benefit could not predict support for tourism. But, benefit to the community was a predictor (McGehee, 2004).

A study conducted among the rural communities in 1996 carried out regression analysis to suggest relationship between residents’ attitude towards tourism and opinions regarding tourism development (Andereck & Vogt, 2000). It was found that positive attitudes towards tourism are not necessarily strongly related to additional development
of tourism products. Also, existence of negative attitudes may not decrease residents’ desire for development. The study has also related attitude with level of experience with tourism. Residents in communities with little tourism have limited experience with the effects of tourism on the community.

Influence of tourism on three groups of residents categorized as supporters, moderators and opponents was studied by Chen with respect to four impact factors – economic benefits, social costs, cultural enrichment and environmental degradation. Supporters’ attitude towards future tourism development was strongly influenced by variables with respect to economic benefits and cultural enrichment. Attitude of moderators and opponents were influenced by cost related variables. Environmental impacts weakened the support of residents for tourism development (Chen J. S., 2000). It is also established that the perception of the community on tourism influences the success of a destination. Support of the community is essential for the success and sustainability of tourism once the community becomes a tourist destination. Jurowski conducted a study in three Cretan community\(^4\) groups and measured the perceptions of tourism development. Jurowski also classified the residents into residents reliant on tourism employment, residents not reliant on tourism, and residents who are engaged in tourism business. The study findings supported the Social Exchange Theory. Except for some disagreement on the types of tourists and tourist facilities, all the three groups supported tourism development (Andriotis, 2005).

A scale that measures the attitude of residents toward sustainable tourism development as subjective indicators, called SUS-TAS, is developed by Choi and Sirakaya (Choi &

\(^4\) Crete is the largest island and one of the most popular tourist destinations in Greece.
Sirakaya, 2005). The scale attempts to capture the attitude of residents by integrating six sustainability criteria, namely, economic benefits, the socio-cultural impact of tourism, community based benefits, visitor satisfaction, environmental sustainability, and community participation.

One of the recent studies was conducted among the residents of Raglan, a seaside resort in New Zealand to identify the attitudes being shown by its residents towards tourism development (Ryan & Cooper, 2002). Questionnaires were distributed to all the residents of Raglan and got a response of about 17%. Using Cluster analysis, the residents were classified into three groups – (i) those who are pro-tourism, (ii) those who are against tourism and (iii) those who are neither pro nor against tourism. The attitude of residents and their level of contact with the tourists influenced their attitude towards tourism (Weaver & Lawton, 2001). Those who work with tourism and come in contact with tourists were positively inclined towards the tourism sector (Weaver & Lawton, 2001; Madrigal, 1993; Jonsson & Devonish, 2007).

The factors that make up the attitude of residents are classified into three groups – economic, socio-cultural and environmental. Favourable factors were called ‘benefits’ and unfavourable factors were called ‘costs’. Tourism development is supported by the residents if benefits are more than the costs (Gursoy & Jurowski, 2004). Findings of another study indicated that five groups of individuals influence the host community’s perception of impacts of tourism: individuals attached to their community, those concerned about community issues, those with strong environmental attitudes, those currently using the resources to be developed, and those believing the economy needs
improvement. To gain support for tourism development, communication strategies are to be developed addressing the issues of each group individually (Gursoy & Rutherford, 2004).

The reviews made have helped to prepare a list of variables that could lead to measuring of the attitude of residents. The studies have either classified the residents into groups based on their interaction with tourists or grouped the variables based on the probable impact. Rarely any study has the attitude measurement made by taking the residents’ group as well as variable group. The present study has grouped the variables based on how the residents perceive it in relation to tourism development and the attitude values of these classified groups are measured separately for group of residents classified according to their level of interaction with tourists. The attributes used in the earlier studies for measuring the attitudes are given in Appendix 2.1 (Chen J. S., 2000; Ryan & Cooper, 2002).

2.4.2 Tourist satisfaction as an indicator

Consumers form judgment about a product offer before making a purchase decision. The satisfaction of the customer depends on the performance of the product compared to his expectations. If the performance of the product falls short of expectations, the customer is dissatisfied. If the performance exceeds expectations, the customer is highly satisfied (Kotler, Bowen, & Makens, 2003; Choi & Chu, 2001; Hui, Wan, & Ho, 2007). A consumer feels satisfied when his perception of the performance of a product is more than his expectations (Petrick, Morais, & Norman, 2001; Millan & Esteban, 2004). Customer loyalty is one step above customer satisfaction and in the case of tourists, this
is reflected in repeat visits to the destination and spreading positive word of mouth publicity about the destination (Hui, Wan, & Ho, 2007). “Repeat visitation display a certain level of individual satisfaction and attachment to a particular location / activity” (Ellis & Vogelsong, 2002, p. 53). The past travel experience influences the selection decision of the destination for future visits. In the study conducted at the Partnership for the Sounds (PFS) in 2000, it was found that repeat visitors were significantly more satisfied than first time visitors (Ellis & Vogelsong, 2002).

Tourist satisfaction is defined in various forms by researchers. From 1981 to 1996, eleven different definitions of satisfaction were listed and 15000 academic and trade articles were published (Meng, Tepanon, & Uysal, 2008). Satisfaction levels are maximized when aspiration (desirability) exceeds perception (Dorfman, 1979, cited by (Ellis & Vogelsong, 2002, p. 53). Preconceived notions and mental images of a location in a visitor build expectations about the location in the minds of the visitor. This expectation becomes the driving force for his desire to visit the location. A visitor with high expectations, when receives low-value experience, reports low customer satisfaction. The dissonance levels between the high-value expectation and low-value product can be reduced when the service provider offers accurate and realistic information so as not to create high expectations that cannot be met. (Ellis & Vogelsong, 2002).

The study conducted in a nature based resort destination at Southwest Virginia, described overall satisfaction as a function of destination attribute importance, performance and tourist motivation. According to the study, the level of tourist satisfaction with a resort destination is mainly driven by the level of friendliness and quality of services, the degree
to which the tourists are satisfied with the lodging facility, food and location of the
destination and motivation of being together with family and friends. The study found
that tourist satisfaction is determined by “what people want to explore in the destination
and what the destination could offer and how well the destination could meet these
desires (Meng, Tepanon, & Uysal, 2008). The backpackers were the users of budget
accommodations in Scotland. They have a preference for active and participatory holiday
activities and they showed a tendency to stay longer. Cleanliness of rooms, value for
money and presence of self-catering facilities were considered to be the most important
factors that provided satisfaction to this section of tourists (Nash, Thyne, & Davies,
2006).

Several research studies have investigated the process by which customers form
judgments about a service experience. A consensus on how best to conceptualise
customer satisfaction is still absent (Yuksel & Yuksel, 2002). In the study by Yuksel &
Yuksel (2002) on the dining experience of tourists, it was found that service quality,
where the customer comes in direct contact with the employees of a restaurant, had the
most significant effect on dining satisfaction, followed by product quality, hygiene, menu
diversity, price value and convenience. “The multidimensional nature of factors affecting
tourist dining satisfaction is consistent with the results of other studies which reported
that physically consumable service elements (ex: food), the manner in which the product
is delivered to the customer (ex: behavior), the service environment where material
products are produced and consumed (ex: the ambience), the other consumers
simultaneously consuming the same or similar services (social temperature) and the
product cost and value would determine satisfaction” (Yuksel & Yuksel, 2002, p. 64).
High quality services and customer satisfaction are the important factors leading to the success of tourism industries. A long-term relationship developed from quality services and tourist satisfaction could bring about destination loyalty (Hui, Wan, & Ho, 2007). Components of a service product are evaluated by the customers independently and differently. The same hospitality experience can generate different responses since customers may have different perceptions of satisfaction. A standard model or framework that determines travel satisfaction is difficult to find because it involves many variables (Chang, 2008).

Direct application of tourist satisfaction studies conducted in other countries, to India is not correct since the social structure and environment are different in India. At the same time not many studies on this topic are conducted in India (Chaudhary, 2000). The image of India as a tourist destination among international tourists is studied by Manjula Chaudhary. She conducted the surveys at Delhi, Pune and Chandigarh. The number of respondents were 152. She used 20 travel related variables to measure the satisfaction. She has found that inspite of being rated high in art forms and cultural heritage, the image of India is charred by irritants like cheating, begging, unhygienic conditions and insecurity (Chaudhary, 2000). More than measuring the satisfaction level of tourists, the study gave importance to the attitude of foreign tourists in building a positive image of India.

2.4.3 Environment related indicators

Environmental management all over the world was accorded a higher priority in the 1980s, attributed primarily due to the alarming scientific findings on environmental
degradation due to excessive pollution, global warming and greenhouse effect.

Environmental issues were discussed in many international forums and the salient outcomes included Langkawi Declaration on Environment and Development at the Commonwealth Heads of Government Meeting (CHOGM) in 1989, the Bio-diversity Convention during the United Nations Conference on Environment and Development (UNCED) meeting held in Rio de Janeiro, Brazil in 1992, and the Montreal Protocol on the reduction of non-essential chlorofluorocarbon (CFC) usage (Daud, 2002).

Tourism contributes adversely to the host community in the form of increased litter and pollution and exploitation of natural resources (Ellis & Vogelsong, 2002). Different forms of tourism have emerged with the concept of environmentally and economically sustainable tourism products. Ecotourism reduces the negative consequences of tourism through environmental education to enable the host community to make informed decisions concerning the use of local natural resources. The primary focus of ecotourism is on environmental protection, awareness building among host community, local economic development and to create positive social experiences within visitors (Ellis & Vogelsong, 2002). Responsible tourism is a form of tourism which encourages local participation in the tourism activities. These forms of tourism, if practiced, could prolong the life cycle of destinations without a decline. Social problems associated with tourism could be resolved by empowering the host community which is directly or indirectly involved in tourism. Training of local community to take up a better job or manage tourism operations, insisting on local sources of supply, developing of concentrated tourism areas, developing alternative tourism sites to divert tourism demand from sites that are likely to get damaged due to heavy inflow of tourists and to target those tourists
who would behave responsibly to the host community form part of Responsible Tourism practices (Sirgy, 2001, pp. 353-4).

Choi and Sirakaya has presented two citations (Choi & Sirakaya, 2005, p. 383). The first one quoted Glasson, Godfrey and Goodey (1995) as “tourism contains the seeds of its own destruction: tourism can kill tourism, destroying the very environmental attraction which visitors come to a location to experience”. The second one quoted Brackenbury (1993) as “the end of environment is the end of tourism”. An important factor in managing the environment is the level of the self-awareness in conservation issues. Non-government agencies and other related agencies have a role in maintaining a desired level of this awareness. The public at large are made aware of the deteriorating world environment and the need to conserve and preserve nature through sustainable development. As an example, the Kuching City Councils in Sarawak, Malaysia, are presently striving to implement an environmental management system for the whole city, a system that could achieve the environmental ISO14001 certification (Daud, 2002).

Natural resource management and utilization through local people participation is pointed out to help the local community to receive economic benefit. The local participation can be in the decision making process or participation via employment as workers or as small business operators. The latter is recognized as helpful to receive more economic benefits as brought out in a study in the Jiuzhaigong Biosphere Reserve of China (Li, 2006). In an institutional set up like the one in China, involvement of the local community in the decision making process can be very costly. The pressure of population on natural resources can be alleviated efficiently through economic development rather than
allowing the local population to take decisions that could result in the erosion of natural resources in a short period of time (Li, 2006). It is also brought out in another study that various interest groups participate in tourism development with varying objectives and expectations. In the study it was found that the private sector opposed community participation in any form and the local agencies opposed community participation at a decisive level and desires to limit the participation at consultative level (Tosun, 2006).

2.4.4 Economic indicators

The literature on the economic impacts of tourism is larger than the literature on the other impacts (Fleming & Toepper, 1990; Harrill, 2004; Cai, Leung, & Mak, 2006). Compared to other types of impacts, economic impacts are easily measurable. It is also true that quantitative data about expenditures, employment and tax revenues are available from secondary sources like tourism boards or government. Quantification of total income and job creation in tourism is straight forward (Tooman, 1997b). The socio-cultural and the environmental impacts of tourism were usually seen from their negative sides whereas the research of economic effects focused more on the positive side, not forgetting the fact that the negative impact of tourism includes increased seasonal employment and inflated local economy (Ellis & Vogelsong, 2002). Seasonality in tourism is a major problem because of declining returns on investment and recruiting issues due to full and part-time staff. In peak seasons, when the tourists exceed the capacities of accommodation and facilities, a reduction in the quality of services also can occur due to reasons like congestion and overbooking (Parrilla, Font, & Nadal, 2007a).
Tourism has been one of the fastest growing economic activities in the recent decades (Parrilla, Font, & Nadal, 2007b). Tourism is experiencing continued growth for the last six decades and has become the largest and fastest growing economic sector in the world. More and more destinations are being opened up every year. As a trade commodity, the export income generated by tourism has exceeded US $1 trillion in 2007. In terms of export income, tourism ranks fourth after fuels, chemicals and automotive products. In the developing countries, tourism is a provider of employment (UNWTO, 2008).

Tourism is often seen as an industry which brings in foreign exchange, provides employment, and adopts a modern way of life. Tourism is seen as an important earner of foreign exchange. When the socialist countries in the former Eastern Europe lost their market share in Hungary to the high spending Western visitors, the change was considered as good for Hungary’s balance of payments (Fletcher & Cooper, 1996). The financial impact of tourism is often the reason for nations to invest in the industry. The foreign exchange generated through international tourism contributes to a country’s balance of payments. For those countries having tourism as the main export industry, income from tourism influences the gross national product. The economic effect of domestic tourism is also similar, though it does not bring foreign exchange. It redistributes local currency spatially within the country.

To realize economic benefits and to retain it locally, nurturing of local capacity is indispensable. Tourism education and training are imperative for securing positive effects of tourism in destinations (Liu & Wall, 2006). Shalini Singh stresses the importance of the presence of quality resources in the tourism sector (Singh, 1997). She argues that employee training and development are fundamental to remain competitive. But how the presence of
quality resources can be measured or what should be the minimum level of offering quality tourism experience are left unanswered.

Tourism plans should give prominence to the development of human resources for tourism so that local residents will be in a better position to participate in and benefit from the development of tourism in their area. Local people should be a principal source of labour and should receive reasonable compensation for their work. Otherwise, the lives of local people may get changed by tourism, but most of the benefits may accrue to outsiders or elsewhere (Liu & Wall, 2006).

### 2.4.5 Analytical tools in tourism studies

Several studies have given attention to visitation forecasts and understanding the future demand can help decision makers develop management strategies for the future. Accuracy of the forecasting methods, cost of generating the forecasts and efficiency of producing the forecasts are considered while choosing a forecasting technique. Time series methods often yield more accurate forecasting results than causal methods. (Chen, Bloomfield, & Cubbage, 2008).

Tourist flow patterns, tourist activities and industry structure are important in planning, development and management of destinations. The main variables that appeared in the analytical studies of tourism are accommodation, attraction, the economic impacts and the tourists (Babu, 2008). The most widely used tool in tourism analysis is index. Some of the indices cited by Sutheeshna Babu include the following (Babu, 2008): Tourist function index $T(f)$ by Defert (1967), Recreational index $Rpi$ by Gardavsky (1977) and Tourist Intensity $TI$ by Hovik and Heiberg (1980). Besides simple indices, composite indices were also used by
researchers. Index of Tourism Intensity (ITI) defined as the ratio of tourist population density to resident population density is used to suggest the impact of tourism on the guests as well as on hosts (Babu, 2008). Interestingly, the study by Babu (2008) could not establish a relationship between population density and tourist density. Application of GINI coefficient and Lorenz curve can also be seen in the literature. Lack of accurate and quality data at the secondary level was a major setback in the application of sophisticated analytical tools.

2.5 **Linkage with the present research problem**

Recognizing that products have life cycles with identifiable stages can provide insights into how to manage the cycle to extend its life. Unmanaged products travel along the life cycle with little resistance (Kotler, Bowen and Makens – 1999). If managers wearing “product-life-cycle blinders” do not investigate the reasons for the changes in the life cycle, they risk seeing the product life cycle as the cause of the slowdown. Using the PLC concept to develop marketing strategy could be difficult. Strategy is both a cause and a result of the product life cycle. The product’s current life cycle position suggests the best marketing strategies, and the resulting marketing strategies affect product performance later in the life cycle stages. When used carefully, the life cycle concept can help in developing good marketing strategies for different stages of the product life cycle.

More than the life cycle concept, this study is intended to probe into the factors that influence the life cycle of tourism brands. Several studies reviewed have dealt with the characteristics of the life cycle stages and indicators that are associated with the different stages of life cycle. Drawing from current literature and theory in the area, a number of
variables that influence tourism from the demand side as well as supply side – social, economic, cultural, environmental - influence the life cycle. The tourism sector is becoming increasingly aware of the positive and negative effects of tourism development. Tourism is no longer considered a “clean industry”. Considering the scope of the present study, the review of literature has illuminated the variables that influence in taking the destinations along the path of the stages of life cycles.

The literature is clear to establish the need for quality resources in tourism industry. But how the presence of quality resources can be measured or whether there is any minimum level desirable for engaging the resources in the industry are not clear. The present study suggests a measurement to assess the quality of manpower based on training to handle the services of the tourism industry.

As stated by Manjula Chaudhary, not many studies are conducted in India to assess tourist satisfaction. Though she used 20 variables, the prime focus of the study was on the image of India among international tourists who visited India. The study used Likert scales, but carried out the analysis and tests applicable for interval and ratio scale measurements. The approach is correct only under the assumption of approximation of Likert scales to interval measurements.

Taking the opinion of experts, Choi & Sirakaya developed a set of indicators for sustainable tourism (Choi & Sirakaya, 2006). Both objective and subjective indicators are suggested. Objective indicators are defined to measure income, employment rate, number of visitors etc. and the subjective indicators are to be measured through survey research or qualitative research methods for measuring indicators like attitude of residents. This study has identified the indicators and gone further by attempting to operationalise the indicators. Citing Choi &
Sirakaya, “the evaluation of implementation using both objective and subjective indicators will help create strong monitoring systems” (Choi & Sirakaya, 2006, p. 1286).

The studies reviewed focused on specific indicators that appear in the life cycle of a tourist destination. A comprehensive study with all possible factors that influence the life cycle of a tourist destination is rare. The study conducted for the European Commission (Manente & Celotto, 2004) can be considered as a comparable one with that of the present. Though the study admits the presence of a large number of indicators, the selection of the indicators was based on a few criteria set forth like availability, credible and easily understandable, comparability with other destinations and the possibility of summarizing.

The most important deviation of the present study is in the selection of indicators. This study has attempted for a comprehensive approach. All the indicators identified in the literature reviewed are included and subjected to judgement for its importance in the context of the destinations in Kerala. These judgments lead to identification of a set of factors that influence the life cycle of destinations, along with prioritization and value of weights.

The second deviation is in the presentation of a visual model that could reflect the positions of the factors in relation to the desired threshold levels. This destination mix is presented as the model in a comparable form.

This study has gone beyond presenting the visual model. While identifying the factors, the prioritization was made based on the weights attached to it. These weights and the value of the factors are made use of to derive a destination score. Like the indices used to compare the physical quality of life, these destination scores give a rating of destinations that can be compared for its value to make travel decisions from the tourists' point of view and to make planning decisions from the suppliers' point of view.