Tourism without growth

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CIPRA Annual conference, Bled, 25 May 2018
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2) Growth drivers in tourism sector

3) Limits to growth in tourism sector

4) Starting points for growth-neutral tourism
   - level of enterprises
   - level of municipalities

5) Summary – promising starting points
1) What is growth?

Each year more!

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2) Growth drivers in tourism sector

• Interests on investments/debts (equity and borrowed capital)
• Economies of scale
• Construction/craft sector too big for only replacement/repair activities
• Municipalities relying on tax incomes
• (Price) Competition, interchangeable products/services
• Safeguarding employment
• Demand in mass markets / tourism marketing
3) Limits to growth in tourism sector

- Land/resources
- Public opposition (e.g. buildings, second homes, city tourism)
- Unsuccessful or failing tourism business model (new trends, external changes, e.g. climate change)
- Peaks (stagnating demand...)
- Insufficient investments / capital goes elsewhere
- Stagnating / declining subsidies
- Economic decline of tourism region
4b) Starting points for a growth-neutral tourism

- level of enterprises

- Limited dependency on equity/borrowed capital
- Limitation of debt
- Organisational form of enterprises: cooperatives, foundations
- Appropriate enterprise size
- Collaborative economies to profit from economies of scale
- Reduced working time
- Green and social accounting/reporting
- Social innovations instead of hard investments
- Development of niches instead of mass markets
- Development of business models without growth
4b) Starting points for growth-neutral tourism
   - level of municipalities

- Diversify tax and other income sources
- Limitation of municipal debt
- Diversify economy
- Full calculations of benefits and costs of tourism (growth)
- Green and social accounting/reporting
- Political representation of whole community
- Limitation of resource use and land to sustainable level
- Avoidance of mass tourism
5) Summary – promising starting points

• Green and social accounting/reporting
• Full calculations of benefits and costs of tourism (growth)
• Political representation of whole community
• Social innovations / niche development
• Development and spreading of business models without growth
J. Forrester (2009)*:

„I think one of the biggest management problems is going to be to understand how to manage a successful nongrowing company – and how to get out of the frame of mind that success is measured only by growth...

...I don’t think I’ve heard of that being taught in management schools.