

CONSIDERING SUSTAINABILITY IN TOURISM MARKETING PLANNING

Thomas Hellwig

*University of Library Studies and Information Technologies –
Culture, Historical Heritage and Tourism Department*

Abstract: Sustainability orientation is indispensable also for tourism enterprises. The marketing planning process offers the opportunity for integration due to its cross-functional position in the company. In this paper, classical marketing planning is examined and expanded for starting points for sustainable management in tourism. Interactions with the ecological, social and cultural environment are included in all corporate functions and activities along the tourism value chain.

Keywords: Sustainable development, tourism, marketing planning.

Introduction

Successful (tourism) enterprises are characterised by their ability to adapt to constantly changing market and environmental situations and to anticipate them in an appropriate manner. The term “strategic” implies that companies have to take the initiative in the market in order to be one step ahead of their competitors. The development of innovative strategies, instruments and products planned can thus be seen as a competitive advantage for those involved. Strategic planning is consequently a management-driven process in which the company's goals and resources are adapted to changing market conditions [1].

Tourism marketing is characterised by non-economic aspects more than in other economic sectors. Especially tourism as a cross-sectional discipline has to increasingly consider social, ecological, ethnic and normative aspects and thus opens a connection to the goals of sustainable tourism development [2].

The marketing planning process offers the opportunity to do this through its cross-functional position in the company. Interactions with the ecological, social and cultural environment must be systematically and responsibly incorporated into all corporate functions and activities, as well as into the decision-making processes of all members of the tourism value chain.

Sustainable development is based on the classical considerations of limited growth and the finiteness of available resources [3]. The task of corporate management is to cope with these existing scarcities. Within the sustainability discussion, companies are confronted with the demand to

include environmental and social aspects in their decisions and actions in addition to their previous economic objectives. Thus, in addition to economic scarcities, *ecological and social scarcities* are increasingly moving into management's field of activity [4].

Despite the basic consensus on the multidimensionality of the sustainability concept, the extent to which the dimensions are weighted remains controversial. According to the principle of sustainable development, all human activity should be oriented towards the capacity, load limits and natural regenerability of nature and society. The goals of sustainable tourism development can be depicted in a “magic pentagon pyramid” [5].

The five goals of economic prosperity, subjective well-being of the locals, intact nature or resource protection, intact culture and optimal satisfaction of guests’ needs are to be pursued without any one of them dominating. Economic, ecological and social goals are pursued. The needs of the present are to be met without depriving future generations of the basis for satisfying their needs.

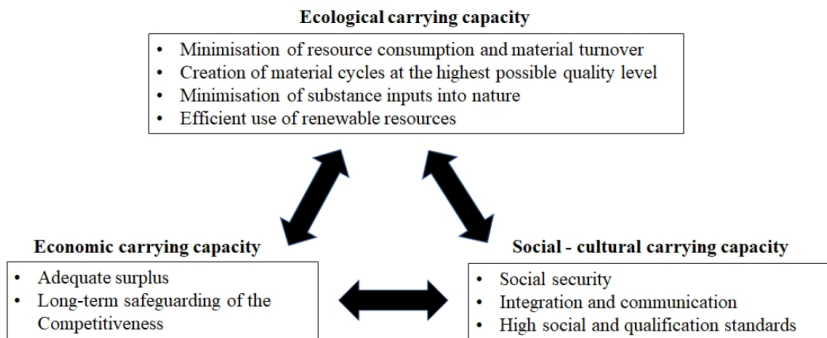


Fig. 1: The magic pentagon pyramid of sustainable tourism development

The aim of the marketing planning process elaborated in this article is to enable a balance between these partly competing objectives.

Building on the social dimension of sustainability, social goals of distributive and equal opportunities broaden the target perspective of entrepreneurial action in addition to economic and ecological goals. This is primarily about the equal satisfaction of material and immaterial needs [6]. All in all, there is clear competition between the traditional economic goals of corporate management and those of the sustainability concept.

The implementation of sustainable strategic marketing planning within tourism enterprises could therefore actively contribute to reducing the

negative impacts of tourism and lead to a variety of positive effects for tourism enterprises: resource and quality assurance, anticipation of stricter social and legal requirements, increased earnings and sales success, cost savings, better employee motivation and greater opportunities in staff acquisition.

Sustainability orientation is thus a strategic dimension of corporate management and a holistic concept. Therefore, the interactions with the natural, social, societal and cultural environment must be systematically and responsibly included in all corporate functions, activities and decision-making processes of all members of the tourism value chain. The traveller and the visited must also be taken into account in order to create a coherent, long-term and sustainable concept.

Research methodology

There are numerous models of strategic management and strategic planning in the literature. The authors place different emphases on the individual phases and use different terminology. In the following, these planning steps are expanded against the background of sustainable development in tourism and operationalised with instruments from sustainability economics.

Within the literature on strategic management, a total of six general planning steps emerge that need to be gone through. All of them are preceded by the formulation of a (not necessarily entrepreneurial) objective. The analysis of market opportunities and the research and selection of target markets should be the basis for the design of the marketing strategy and the planning of marketing processes, which must then also be organised and implemented. By controlling the marketing projects, a feedback to the individual planning phases takes place. The planning steps described below originate from business management considerations and are therefore strongly tailored to companies. A transfer in the sustainable development context to other interest groups, such as tourism policy, seems urgently necessary and easily possible from a scientific point of view.

Results: Basis for sustainable strategic marketing planning

Building on the requirements for sustainable strategic marketing planning described in the introduction, concepts have been developed in scientific theory on how these requirements can be realised. Along the strategic planning process, the following possibility of inclusion arises.

Objective / mission statement formulation.

Stakeholder-oriented corporate management, i.e. the pursuit of goals that “benefit both the stakeholders interested in the economic performance

of the company and other social reference groups” [6], is generally regarded as the expected and, from a sustainability point of view, the entrepreneurial optimum. In contrast to this is the definition of goals under exclusive consideration of economic goals and shareholder interests (shareholder approach). The majority of tourism companies and destinations, especially listed companies under economic pressure to succeed, give the impression of a shareholder-oriented objective. In tourism, guiding principles are often formulated as an expression of general target structures.

The basis of the entire tourism activity is thus concretised at the normative level by the mission statement or philosophy. In a few short statements, the mission statement contains the (corporate) purpose, the general value system and the (corporate) political decisions on goals and principles [7]. In order to consistently realise sustainable management, the mission statement and principles must therefore be expanded.

The classic triangle of goals for sustainable development combines the generally held definitional approaches, but is not directly transferable to the corporate level. ROGALL transforms this into a triangle of goals for sustainable corporate development [8]:

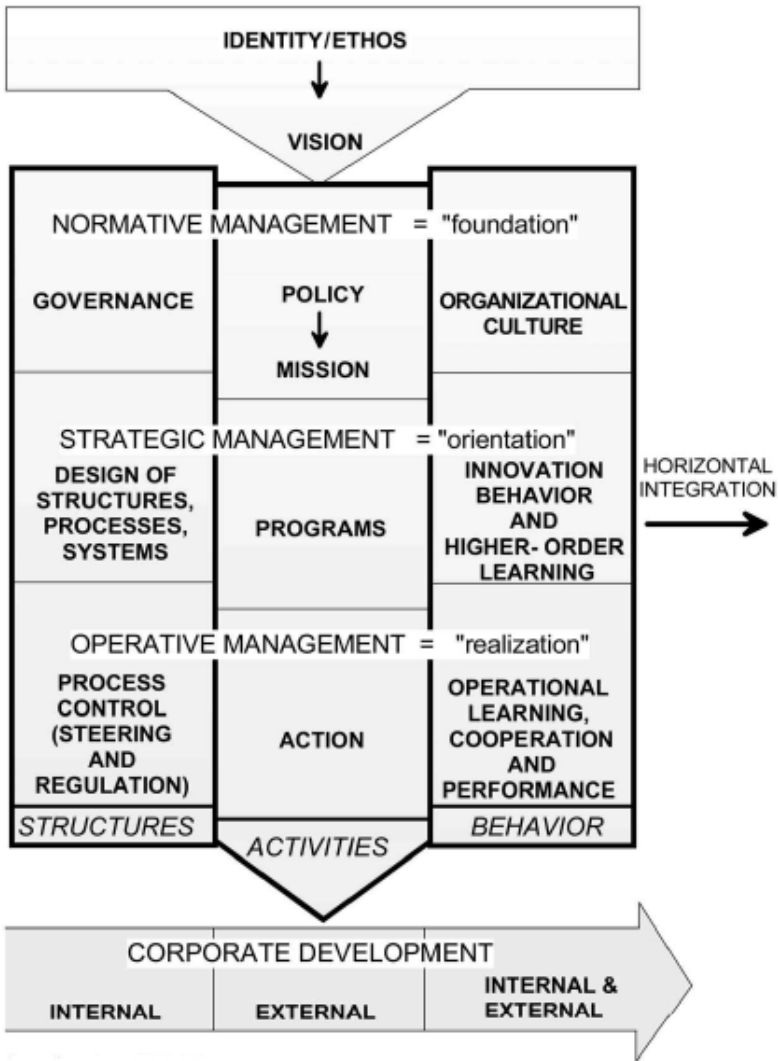


Fig. 2: Proposal for a target triangle of sustainable corporate development

The triangle of goals concretised in this way appears more tangible and suitable as a guiding principle than the corporate philosophy, which is too abstract in its formulation.

Building on these normative guidelines for entrepreneurial activity, the holistic nature of the *St. Gallen management approach* makes it suitable for clarifying the holistic claim of sustainable development in connection with the standard process of strategic marketing planning that has already been

elaborated. At the same time, this represents the basis for the socio-ecological opening of business administration. By including the ecology problem in the classic management approaches, the path to sustainable corporate development is taken [9].

The central pillars of this management approach are the structures, the activities and the behaviour [10]. These are decisive for the overall development of the company and thus also for the success of a sustainability orientation of the company. Furthermore, as in HAEDRICH's model, three levels of management are distinguished, which differ in terms of temporal scope and tasks [11]. Normative, strategic and operational management. Essential to this approach is the focus on the formal structure of the organisation and the work processes on the one hand and the human behaviour, as well as the associated aspects of the culture of the organisation, i.e. the values and attitudes of the organisation's members and their patterns of action, on the other.

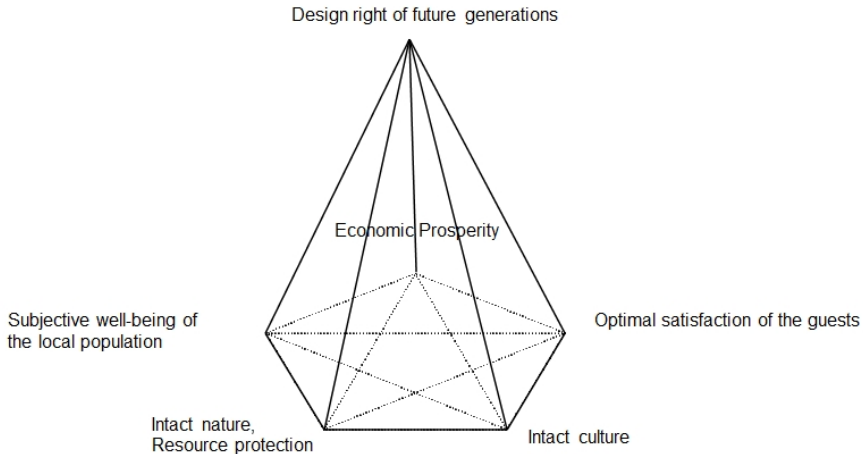


Fig. 3: St. Gallen Management Concept [12]

This approach, initially developed as a holistic management concept, was transferred to the field of environmental management by DYLLICK\ HUMMEL. In it, essential starting points for the implementation of sustainability-oriented corporate management are named and assigned to the different management levels [13].

The basis of the entire entrepreneurial activity is concretised on a normative level through the corporate mission statement or the corporate philosophy. In a few short statements, the mission statement contains the purpose of the company, the general value system of the enterprise and the decisions on objectives and principles of corporate policy [14]. In order to consistently realise sustainable management, the corporate mission

statement and corporate principles must therefore be expanded to include ecological and socially responsible criteria. This broader perspective must not only include the primary entrepreneurial economic activity of the company, which is strongly influenced by shareholders, but also take into account the interdependencies between companies and their environment, which are shaped by the stakeholder concept.

Analysis of the situation

Within the situation analysis, scientific theory offers numerous ways to identify starting points for sustainability in tourism businesses. Along the entrepreneurial value chain, all stages of the internal processes are examined. The environmental analysis also includes the company's environment. The core of this phase is the combination of environmental, market and business analysis from a sustainable point of view and taking into account the interdependencies. In the following, two instruments are presented that are discussed independently of each other in science, but can certainly be connected within the situation analysis under sustainability aspects.

The *COSY concept* (Company oriented Sustainability) searches for and systematises starting points for sustainability in the company at different levels that can contribute to sustainable development. Basically, four levels can be distinguished on which companies can develop activities in the direction of sustainability [15]:

- **Need:** Reflection on the needs satisfied by the company and deriving consequences for action.
- **Function:** Ecological optimisation of functional networks for given needs.
- **Product:** Ecological optimisation of product design or product features along the entire product life cycle for given functions.
- **Process:** Ecological optimisation of production processes with given product design.

This concept is primarily focused on ecological improvements and therefore runs the risk of neglecting the social and developmental aspects of the sustainability approach [16]. With regard to sustainable corporate development, however, the participation of all stakeholders of the company would be desirable. This open approach could lead to the identification of possibilities for sustainable development in the company in line with needs through the participation of stakeholders and shareholders. At the same time, this could create an integrative process that could have a positive impact on subsequent strategy implementation.

The *Compass method* (Companies path to Sustainability) describes an instrument that actively supports companies in implementing sustainability

and at the same time structures the dialogue process of the persons and institutions involved. Overall, Compass is made up of five elements [16]:

- 1) COMPASSprofil: Creation of the company or sector profile with the help of a checklist.
- 2) COMPASSvision: Development of a common vision with all actors. Compilation of all ecological, economic and social visions with the help of future workshops. Condensing the vision into concrete goals and measures.
- 3) COMPASSanalyse: Analysis of the company's development to date from a sustainable point of view with the help of the COMPASSradar.
- 4) COMPASSmanagement: Binding integration of results in corporate goals and management.

The aim of the methodology described is to question, analyse and optimise individual processes, process chains, products or even services, taking into account sustainable aspects for future needs satisfaction [17].

A combination of the two instruments seems possible in that starting points for sustainable corporate development can be identified on the four levels of the Cosy concept according to the systematics of the Compass method. This would simultaneously ensure the inclusion of all stakeholders in a clear integrative process flow.

Derivation of the strategy

The strategy is derived on the basis of the results obtained from the analysis phase and taking into account the general normative framework of the corporate philosophy. The chosen holistic approach combines customer and employee orientation and accordingly includes both positions in the strategy development.

At the strategic level, the anchoring of sustainable tourism development in the corporate target system is indispensable. Corporate goals define the "desired conditions" as a concretisation of the corporate mission statement, which can be quantified concretely or at least described qualitatively. These are aimed at by the management through the formulation of target-oriented corporate strategies and their implementation in concrete measures [18].

For the ecological area of tourism sustainability in the company, concepts of the voluntary establishment of formal environmental management systems, such as EMAS and the ISO standard 14001, can be cited. These formal environmental management systems place concrete requirements on the structural and procedural implementation in the company. The company's environmental performance is monitored by control mechanisms with quantified targets. From a sustainability point of

view, the advantage of these models lies in the clear targets and the clear controllability. For the company, they represent an advantage in terms of external presentation and can accordingly be integrated into the design of the marketing mix [9].

The environmental management systems described provide for the active involvement of employees in their implementation. They are to be made aware of the environmental impacts of their work activities through training and encouraged to make ecological improvements. In some areas, detailed structures are specified, but these also open up potential for self-organisation on the part of the employees. In this way, these management systems can stimulate individual and company-related reflection and learning processes and strengthen the employees' ability to act, especially with regard to the introduction of ecological improvements.

However, due to their nature, environmental management systems can only cover part of the sustainability concept and must be expanded accordingly.

Detailed and action planning

Based on the preceding steps, the detailed and action planning must be supplemented under aspects of sustainability. Not only the instruments of product, price, communication and distribution policy directed at the customer are used externally. Marketing instruments directed inwards can supplement the programme of measures. In particular, personnel policy instruments can be applied here, which have an impact on all areas of internal sustainability. A flexible working time model or the improvement of communication structures, for example, can have a positive influence on social aspects. In this respect, flexible remuneration models touch more on the economic sphere. The implementation of an eco-audit has an effect primarily on the ecological level.

Implementation and control

After the consistent *implementation* of selected measures, *control* is crucial for successful strategic planning. Approaches for the implementation of sustainable strategic management systems in the company are offered by the instrument of the “*Sustainability Balanced Scorecard*” discussed in scientific theory [4]. With the help of this instrument, internal considerations can also be integrated into strategic planning and checked on the basis of clear indicators. Thus, in addition to the traditional economic aspects, environmental and social aspects are also systematically taken into account in the identification, management and control of strategic success factors.

Control

PROSA (Product Sustainability Assessment) is an instrument developed by the Öko-Institut for assessing the sustainability of existing products and consists of five procedural steps [19]:

1. System analysis: Description of the product and its environment within different levels. The product incl. pre-chains; the product in the product line incl. further processing and distribution; the product line in application - function and fields of application and the product line in the field of need. The system description is intended to provide indications as to which indicators are useful for an assessment of the ecological and social characteristics.

2. Sustainability references and choice of indicators

3. Indicator application for the evaluation of business activity

4. Identification of influencing factors

5. Derivation of options for action

Due to its specific orientation, the control instrument described can only be applied to product policy. In relation to the tourism product, however, it can contribute to essential insights for the company and opens up options and perspectives for the company to adapt its strategy to more sustainable behaviour. In the long term, structural changes in production and consumption patterns are the goal, while the possibilities for short-term improvements are also shown [16].

Conclusions

At the strategic level, the anchoring of sustainable tourism development in the corporate target system is indispensable, which at the same time represents the first step of the standard process of strategic management already presented.

Entrepreneurial goals define the “desired conditions” as a concretisation of the corporate mission statement, which can be concretely quantified or at least qualitatively described. These are aimed at by the management through the formulation of target-oriented corporate strategies and their implementation in concrete measures. If companies decide on a strategy of sustainable tourism, they must explicitly include environmentally and socially compatible aspects in their target system in addition to the traditional monetary corporate goals.

Within the *situation analysis*, the instruments presented for implementing sustainability in the company offer numerous ways to identify starting points for sustainability in the company. Along the corporate value chain, all stages of the internal processes are examined. The core of this phase is the combination of environmental, market and

corporate analysis from a sustainable point of view and taking into account the interdependencies.

The *strategy is derived* on the basis of the results obtained from the analysis phase and taking into account the general normative framework of the corporate philosophy. The chosen holistic approach combines customer and employee orientation and accordingly includes both positions in the strategy development.

Based on the preceding steps, the *detailed and action planning* must be supplemented under aspects of sustainability. Not only the instruments of product, price, communication and distribution policy directed at the customer are used externally. Marketing instruments directed inwards can supplement the programme of measures.

After the consistent *implementation* of selected measures, *control* is crucial for successful strategic planning.

In this process, the achievement of the goals set at the beginning of the strategic planning process is reviewed and, based on these results, the required strategy and derivation of measures is adjusted again.

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About the author

Thomas Hellwig is in a managing position in the German railway industry. He is currently a PhD student at the University of Library Studies and Information Technologies – Culture, Historical Heritage and Tourism Department. His Dissertation title is: “Tourism as a Factor for Improving the Quality of Life in Achieving Sustainable Development”.

To contact the author: mail@thomas-hellwig.de