

# CORPORATE SOCIAL RESPONSIBILITY AND SUSTAINABLE DEVELOPMENT OF TOURIST DESTINATIONS - AN ANALYSIS FROM THE PERSPECTIVE OF THE DEVELOPING REGIONS IN THE EUROPEAN CONTEXT

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**Abstract:** *Tourism is one of the most important industries in the European Union economy, with a great contribution to the general dynamic of the integration process and to the fulfillment of the Union strategic objectives. As a result, the last two decades have increasingly associated more tourism with the European policies, in a doctrinaire context defined by the option for sustainable development which correlates sustainable regions, sustainable tourists and sustainable enterprises in an integrated concept in the field of tourism. This paper deeply analyses the way in which the tourism enterprise can be associated with the sustainable development pattern, by valorizing the corporate social responsibility (CSR) principles. The analysis is qualitative, on the specific of the developing tourist destinations. The work is divided into three parts: explanation of the European context, insisting on the main tourism – regional development correlations, from the point of view of the sustainable development pattern; argumentation of the tourism enterprises necessity to take on economic, social and environment responsible practices in the sustainable development of the tourist destinations; the analysis of the advantages of being placed on the alternative markets from the perspective of ensuring the complementarity of the tourist actors and the receiving areas interests in an integrated system of sustainable and responsible management of the tourist region. The analysis leads to the better understanding of the potential contribution which the sustainable practices from the tourist industry can have to the sustainable growth of the developing regions.*

**Keywords:** corporate social responsibility, sustainable regional development, European tourism  
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## INTRODUCTION

At the global level, tourism is one of the most dynamic industry, with a great contribution to the economic growth, employment, international trade, FDI flows. For example, tourism generates, as a tendency, 5% of the world GDP and 6-7% of the working places only from direct activities<sup>†</sup> (as a whole impact, taking into account the indirect and induced effects as well generated by the strong multiplier character of the tourist industry, the GDP contribution is 9%); it means 6% of the world

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<sup>†</sup> In 2011, based on the global crisis, the direct contribution to GDP was only 3 %.

trade (4<sup>th</sup> place after fuel, chemical products and cars) and 30% of the export service flows. Within the European Union, tourism contributes around 2,9% to EU GDP, with an indirect and induce contribution to GDP creation of 7,9% of EU GDP and provides about 8,5% of all employment\*. Tourism is particularly important when it comes to offering job opportunities to young people, who represent twice as much of the labour force than in the rest of the economy, it contributes to the economic development with medium growth rates on the long term, superior to the increase of the global GDP, it has a high regional convergence potential (through the specific opportunities of supporting the endogenous growth in the developing regions), it introduces a stable function in the economic growth being a sector which quickly comes back to the growing tendency under economic crisis periods. Employment and GDP growth in the tourism has been significantly higher than in the rest of the economy in the recent years, making the sector a significant contributor to the Lisbon and EU2020 objectives concerning growth, competitiveness and employment. The importance of tourism in the EU economy is likely to continue to increase with the expected annual growth of tourism demand slightly above 3% in the coming years. According to the World Travel & Tourism Council estimations, the volume of tourism business is likely to double in the next 20-25 years, contributing after that by 8,1% to the community GDP, by 8,5% of total working places and by 4,9% of total national investments for the year 2022.

Moreover, specifically for the European economies, *tourism contributes essentially to the integration process*. The intensity of the mutual tourist flows stimulates mutual knowledge, creates the feeling of belonging to a shared space of values, contributes to the development of the European identity and, by all this, to shaping the European citizenship. By the high level of production internalization it helps intensifying the intra-community exchanges and integrating the European markets. Last but not least, the efforts of tourist promotion of the Union on the external markets support the image of a unity of heritage as key element of the European unity.

The relative position of the Union in the international tourism is decreasing (about 50% in 2011, compared to 64.8% in 1985). The activity is generally based on intra-community flows (about 80%), rather generating transfers of income from one member region to another, with reduced net value for the community area. The annual growth rate is under the world average, the average payment collecting per tourist are smaller than the American or Eastern-Asian ones, and the slow-down of the economic growth will affect the potential contribution of tourism to the development of the European economies.

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\* In 2011, according to World Travel & Tourism Council.

Complementary to the economic deficits, tourism in the European Union is confronted, from the point of view of the strategic objectives of sustainable development, with the difficult harmonization of the its three dimensions (economic, social and environmental), especially in the developing regions. For example, *from the economic point of view*, tourism has an important multiplication effect and supports the economic growth, rather in the developed economies/regions. In the developing destinations, the dependence on the additional imports and on the external tourist flows is high (with risks upon the sustainability). Additionally, the tourism development depends on the external capital (with reduced multiplication effects), and the extremely high tourism development in the rich areas, correlated with a high level of production and trade specialization can lead to serious distortions of the social-economic environment, affecting the perspectives of increase for the developing regions. *From the social-cultural point of view*, tourism can contribute to the increase in the employment level, increase of revenues and improvement of the quality of life, increase of the comfort level, increase of the culture level or, at least, the acquisition of new information and knowledge otherwise unavailable, acceleration of the process of social progress and access to modernity, integration in the global system of values, revitalization of the poor areas. But, in the same time, the revenues in tourism are about 20% smaller than in other sectors of services, with deficits from the point of view of the working place quality (see below) and, from the cultural point of view, it may lead to the spreading in the social body of certain slavishly behaviors, inferiority complexes, servitude, moral and cultural perverting, distortion of the traditional practices, alteration of the traditional social structures and the loss of value of the attractiveness elements on the long term. *From the point of view of the tourism – environment relation, as a rule, conditionings are complementary*. On one hand, an unpolluted environment, with a well-preserved diversity of landscapes, flora and fauna is a good support for tourist development, a key element of attractiveness and generation of comparative advantages, having priority in the criteria of choosing destinations. On the other hand, the tourist activity allows the superior valorization of natural resources, especially through the international flows in this direction and on the segments of alternative tourism and can have an essential role in the awareness of humanity about the environment protection; moreover, by the favorable impact on the prosperity of the local economy (extra revenues, employment), it can support the process of sustainable development. However, *tourism involves and emphasizes a series of conflicts between the environment and the resource exploitation* which oblige to the integration of environment into production and consumption tourist behaviors may affect the sustainable conservation of resources and generate pollution. Where the function of tourist reception is developing rapidly and exceeds a limit – often called “busy limit” –

tourism exerts pressures on the environment, leading to the alteration or even considerable modification of ecosystems (Pascariu, 2006).

As a consequence, in relation to the strategic objectives of the Union, it is essential to ensure the European tourism sustainability, being perceived as an important element of added value not only for the tourist industry, but also for the integration process as a whole. The main challenges are connected, on one hand, to the present consumption patterns (the quantity dominant, the high concentration in time and space) and to the production patterns as well determining mass tourism, aggressive on the receiving economic and social environment. Responsible tourist behavior, social responsibility taken on by the tourist industry and good governance will be the strategic priority axes in ensuring the premises of sustainable development in the European tourism. This study suggests an analysis of these conditionings from the point of view of the contribution which social responsibility taken on by the tourism enterprises can have for supporting the sustainable development of tourist destinations.

## **1. SOCIAL RESPONSIBILITY DETERMINANTS IN THE TOURIST INDUSTRY. AN ANALYSIS FROM THE PERSPECTIVE OF THE SUSTAINABLE DEVELOPMENT OBJECTIVES OF TOURIST DESTINATIONS**

From a concept referring in the '80s to the necessity of a temporary arbitration between the system of the present needs and the system of needs of the future generations, "sustainability" has been shaped lately as a new principle applied in the models of economic growth, resulting in the making of strategies and policies that have systematically integrated social and ecological parameters. At international level the outstanding moment was the Johannesburg Conference (2002), sustainable development shaping itself shortly as a new paradigm with impact at the macro-economic level. The essential change consisted in going from the emphasis on the role of regulation by macro policy-making to the priority given to the economic actors and the role of the free market in promoting the new approach, the key concept associated with the action at the microeconomic level being "social responsibility". Apart from a series of international initiatives, such as the creation of the World Business Council for Sustainable Development (1992), the creation/revision by OCDE of the guidelines on social responsibility of corporations (2000) or the adoption of the Green Paper of the European Commission for the promotion of a European framework of the

company social responsibility (2001)<sup>\*</sup>, the Johannesburg Summit played an important part. The clear message sent to the business environment at that time (especially by the contribution of Business Action for Sustainable Development) was that the social and environment objectives cannot be achieved only through economic policies and regulations which should be understood as instruments of constraint, but by the active and voluntary involvement of enterprises. Moreover, the business environment had a decisive constructive role in sustainable development. The integration of social and environment aspects into the management systems as voluntary assumption of the sustainability principles can support a dynamic balance between the regulation instruments and the market instruments, promoting sustainable consumption and production models and providing more efficient economic solutions than those provided by the macro policies and the legislative systems.

Consequently, as answer to the stronger economic, social and ecological pressures, a number of companies have lately promoted social responsibility strategies as voluntary accountability of values and principles for the support of the sustainable development strategic options. In the first stage, the big enterprises reacted, then the new practices were extended to the level of the small and medium enterprises (Onea and Tătărușanu, 2012).

Social responsibility is usually defined as the voluntary assumption by enterprises of the social and environment objectives, complementary to the economic objectives, both in relation to the inner environment (shareholders, employers) and with the outer environment (partners, local community). Briefly, it can be defined as “voluntary engagement of enterprises to manage their actions responsibly” (the International Chamber of Commerce). At the European level, the concept also refers to the ethical aspects, observance of the fundamental rights, accountability of the impact of a business upon the society as a whole, as well as an active role in achieving the strategic objectives (of the local community, at regional, national and European level). It is a perspective referring to business practices going beyond meeting the social or environment legislation, in other words they involve actions which exceed the regulatory / legal obligations of companies, by taking on a social function.

The most often, the option for adopting CSR triggers a general process of restructuring the management system of the company, changing the company policies, modifying the portfolio of products, clients or providers, generating possibly high costs by reducing the scale economies and creating high opportunity costs. By promoting a model of the “socially responsible company” it is thus useful to understand what makes the economic actors take such a step, what the managerial

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<sup>\*</sup> At present we estimate that there are over 150 initiatives at international level which promote and support social accountability by the business environment.

adoption of the sustainability principle means, what objectives the companies can have and what the potential impact of the new approach is.

From this perspective we must mention that the “voluntary” adoption of the corporate social responsibility is in fact the result of some complementarity between the impact of the new paradigm upon development (associated with the pattern of sustainable development) that sent its effects on the public strategies and policies, the market pressures (associating here both the new behaviors and values which define the present consumption attitudes and the competition role) and also the integration of ethical values into behavior patterns of manufacturers.

Correlating the mentioned conditionings in the tourist industry, the taking of the social responsibility by the business environment is the result of the following categories of determinants:

- *Increase in interdependencies between tourism and sustainable development.* Tourism can contribute to the sustainable development of a destination only in a way which associates the concepts of ecological development, ecological responsibility, social responsibility, integrated quality of the tourist product portfolio, competitiveness; a region choosing the development of the tourist function in order to take advantage of the growing potential by multiplication / involvement of the tourist industry specificity in a local economy must integrate in the development model the set of economic, social and environmental conditionings, taking into consideration the risks that the random development of tourism can take, especially in the developing regions. These regions can find in tourism a chance for growth and convergence (the more rapid reduction of development discrepancies), but they also risk to generate a negative relation between the marginal costs and benefits of the strategic orientation towards tourism if no integrated management of the destination is ensured, by taking into account the economic, social and environment risks. Consequently, it is absolutely necessary to have in consideration the development of the tourist destinations, a key role here being played by the tourist industry actors, obviously in correlation with the public actors, tourists and target population.

- *Increase in the tourist consumption role to ensure a high level of individual and social welfare.* Along with the increase in the population average income, tourism is integrated in the structure of the family budgets for larger social-professional categories, becoming a necessary good, with a relatively low elasticity compared to the price; at the same time, public policies consider it to have an important social function of redressing the physical and psychic balance of the modern man, living a real process of social and individual alienation and looking for a new sense which tourism can provide, at least on certain components of alternative tourism (see below); as a consequence, we can expect a significant and constant increase (about 4%) in the tourist

consumption at the international level (and European of course) within the next period of time, turning tourism into an opportunity for the strategic orientation towards regional development and for the business environment but, at the same time, generating a stronger impact from the social-cultural and ecological point of view on the receiving areas; the orientation towards a responsibility pattern of companies and sustainability in the development strategies which imposes themselves as a necessity;

- *Structural changes at the level of motivations and needs for tourist consumptions* (the integration of post-materialist components – communication, personal development, social-cultural and ecological values, solidarity etc.); as a rule, the studies and documentary materials about CSR lay special emphasis on the voluntary taking on principle by the business environment of certain social and environmental objectives, starting from new values introduced into the management systems; in reality, at least in the tourist industry, the CSR adoption is mainly conditioned by the new attitudes of tourist consumption that have integrated social-cultural and ecological attitudes, especially on the alternative tourism segments; so, CSR has become rather a brand, aiming at attracting the market, at ensuring constant customers and getting competitive advantages; CSR can thus ensure a reduction of the market risks, the maximization of the relation marginal cost – marginal benefit, the easy access on new markets, stabilization of the business relations, integration into networks, facilitation of the public-private partnership, a more efficient management of human resources;

- *Increased competition on the tourist market, in a general context at international level of loss of competitiveness for the European tourism* (hence, the need for identity, for brand image, for differentiation to find areas and the sustainable position on the market); the new technologies of information and communication, the development and deregulation of the air transport, the development of the new emerging economies, the expansion of the peace, security and safety areas at global level have extremely increased the competition of tourist destinations; in correlation with the new value possibilities in the tourist consumption, a brand image as "sustainable tourist destination" may generate competitive advantages on the market segments associated with a sustainable tourist behavior, with a high potential of valorizing the opportunities provided by the tourist activities in the context of a diminution of the negative, economic, social and environmental impact risks;

- *Integration of tourism in the priority objectives of the European Union policies and of the member states with sustainable development*; from the strategic point of view, tourism hasn't been a priority in the European policies by the last decade; nowadays it is considered to have a high

potential to contribute to the fulfillment of the Union strategic objectives (competitiveness, convergence, employment, promotion of the European identity and citizenship, economic and social sustainability), being integrated in a large series of European policies (cohesion, agricultural, transport, environment etc.) thus acknowledging the high potential of tourism for the Union sustainable development; the potentiating of this contribution is still conditioned by sustainable practices of the tourist industry;

*- Increase of pressures at the level of economic and public opinion policies for a more active involvement of the economic agents in growing the quality of life and compensating for deficits at the local, regional or even international level (pollution, development discrepancies, social alienation, unemployment, etc); we cannot question the economic function of a company to produce goods and services in order to satisfy the demand nor the role played by profit in determining the use of resources; yet, the business environment is more and more required to change its production and management systems by taking on a responsible behavior about the long term impact of the conducted activities and by a more active involvement in creating some favorable environment for the increase of the quality of life for the employers and citizens as well; at the level of the public policies, the companies are required to contribute to the fulfillment of the strategic growth objectives, especially the one that the tourist industry has a high potential of contribution to the sustainable development and growth of regions, including the less developed ones;*

*- Increase the role of the public-private partnership and integration in networks for the strategic development of the tourism enterprises (the tourist product is the result of the combination between public and private goods; over 95% of the tourism companies are small and medium enterprises having difficulty in maintaining on a market characterized by high competition without generating network effects and without taking on an active role by the public administration in developing and promoting the tourist function of a destination; partnerships and networks can generate added value if they are organized around certain objectives associated with the sustainable tourism pattern).*

Consequently, the adoption of a social responsibility model supposes integrating the social and environmental aspects in the enterprise policies, taking into account the interests of all the types of “parties” involved directly and indirectly (customers, shareholders, employers, civil society, population and local environment). The pattern means that, apart from the direct private function of goods and services production (adopted based on the principle of economic efficacy and associated with the objective of profit maximization), the producer is required to fulfill a direct function of producing positive externalities as well (while minimizing the negative externalities), a function

associated with the principle of social efficacy (specific for the social market economy and aiming at maximizing social welfare).

Thus, the tourist industry is required to eliminate or compensate for a series of deficits / limits of the impact of tourism in the receiving area from the point of view of the sustainable development principles and objectives, such as:

- *The weak integration of the attractive resource consumption (natural, social-cultural) into the structure of the production cost* (difficulties arise especially from using unquantifiable resources; for example, the attractiveness of landscapes or traditions, considering that excessive valorization triggers a demonetization process); the tourist product is the result of certain external components of the production process strictly speaking, which are not a part of the cost assumed by the tourist service provider; consequently, the tourism enterprise is not only interested in adopting responsible behavior towards the receiving environment for economic reasons (sustainable preservation of the attractive resources on which one builds his/her own business), but it is also compelled, ethically and morally, to transfer a part of the results upon the society; as a consequence, CSR in the tourist industry integrates an objective component, beyond aspects that are related to new values, business ethics, image and identity advantages, others given by what has almost become a brand (“sustainable enterprise” or “responsible enterprise”);

- *Tourist occupancy exceeding the capacity of absorption and regeneration of the receiving space in the areas with high tourist intensity*, affecting the social-cultural area, the environment and biodiversity; some destinations can be very attractive, defined by a portfolio of products which suppose a high degree of seasonality, especially during the increasing period of the life cycle (it is the case of many growing destinations, based on culture and nature and which are seeking to valorize the potential of economic dynamics offered by the tourist market; but, without an integrated management of the destination, the tourist consumption can exceed in the season periods the absorption limit, with high risks of degradation of the receiving area; the integration of some behaviors specific for the CSR model in the tourist industry would also mean reporting one’s own interests of maximizing profitability to the social-cultural and ecological balance of the destination;

- *The tendency, especially in the growing regions, to adopt architectural styles in the tourist infrastructure* without a connection with the local architecture; the tourism enterprises can contribute to the preservation of authenticity and specificity of the attractive resources of the destination by taking on the responsibility of the new buildings architecture;

- *The social deficits at the level of the labour force used in tourism*; as we have already mentioned, tourism has a high potential of employing the labour force, especially on disadvantaged

segments, with relatively small chances of integration on the labour market: young people, women, people with an average / a low level of education and professional training; such a function is very attractive for the growing regions, where there are not too many alternatives of employment; it is in fact one of the reasons why tourism is a strategic sector in the European employment and cohesion policies; but, at the same time, tourism employment is characterized by a series of negative objective aspects related to the specific of the tourist activities: high seasonality (including for some indirect and induced occupations), low level of skill, without allowing longer employment or extended opportunities about the professional career, atypical schedule work (especially in hotels and restaurants), relatively low income, etc; at the same time, the quality of the tourist offer is essentially dependent on the labour factor (availability, quality, motivation) by overlapping consumption and production, a characteristic specific for the service activities; under these circumstances, the tourism enterprise is in a way "compelled" to take on "voluntarily" responsibilities about the employees, concerning: the labour conditions, ensuring a balance between the working hours and the private life, equal chances, respect for the fundamental rights and liberties, professional training and career development, association to the decision-making process, thus creating a reliable atmosphere, partnership, complementarity of interests inside the company, necessary for sustainable business, especially on a very dynamic market, characterized by extremely high competition;

- *Inequalities in the access to tourism*; the access to tourism has become an indicator of the life quality; by integrating the social component, the model of the sustainable tourism also means reducing disparities and discrimination in the tourist consumption, by supporting the disadvantaged groups; taking on the CSR by the tourist industry supposes the identification of opportunities to facilitate access to tourism, a situation which can be to the benefit of both of the tourism enterprise (for reducing seasonality, improving the investment profitability, increasing the degree of valorizing resources, ensuring liquidities in hemi-season periods or extra-season periods) and of the society as a whole (increasing individual and social welfare, intensification of the multiplication effects, increase of the public revenues);

- *Prevalence of certain tourist formulas implying a negative impact upon destinations from the social-cultural and environmental point of view*; although people talk more and more about the new social-cultural wave and about new tourist behaviors oriented towards destination, the main component of the tourist market is made up of the mass tourism formulas; the tourists, although they want to know, to discover, are mainly determined by the joyful entertainment, interact little with the local people and values, show careless attitude if not indifferent towards the impact of their

sojourn upon the natural environment and nature, the European model of the "sustainable tourist" being an idealist concept, without being used in the present practices prevalent on the tourist market; so, only under the circumstance strategically defined by a system of integrated management of the destination and of taking on the responsibility by the tourism enterprises as concerns the social and environmental impact, can the tourist behaviors/activities become a link in the sustainability chain of sustainable development;

- *Foreign capital based development*\* (especially in the hotel industry), with little involvement and valorization of the local resources and reduced multiplication effects (we can see it especially in the developing countries or in rural areas aiming at developing quickly the tourist function); it is known that the developing regions are rich in resources and labour and lack capital, with a reduced entrepreneurship skill and a limited potential of saving and investing; consequently, the tourist facilities projects depend on the external capital, less attached to the values of the receiving area and generating effects of revenue, expense and reduced employment multiplication; yet, under high competition and promotion of the responsibility principle in the region, the external capital is forced to take on a social model in order to develop and maintain competitive advantages;

- *Degradation of the social-cultural heritage* (the cultural, religious and traditional values enter a system of excessive commercialization risking to lose value and identity); in a process of tourist development the local actors are willing to "do everything" to attract more important flows of tourists, at least in the first stage of market development; there is thus the tendency to adapt the local attractive resources by an imitation process, with a high risk of losing authenticity and, consequently, of attractiveness, the region losing exactly the elements which provide content for the comparative advantages; in this case too, the actors of the tourist offer can help the valorization of local traditions, craftsmanship, gastronomy, by refusing to commercialize excessively and making a portfolio of products based on authenticity and local specificity.

## **2. THE COORDINATES OF ADOPTING RESPONSIBLE MANAGEMENT BY THE TOURISM ENTERPRISE**

Taking into consideration the above mentioned facts, we can identify the following categories of possibly integrated objects into a management system that is socially responsible in the tourist industry (Médiaterre, 2008):

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\* In regional economy, the foreign capital (external) is understood as the contribution of capital not only from other countries, but also from outside the region.

a) *Sustainability of the management system* (observance of legislation, standards and norms; information and involvement of employees in all the stages of adopting and implementing the system; taking into consideration the interests of all the parties involved; integration of the social and environment parameters in all the decisions);

b) *Maximization of the economic and social advantages for the local community and minimization of the negative impact* (supporting the local initiatives; professional training of employees and valorization of the local working force; valorization of the local resources; adoption and observance of a code of good practices at the local level; fighting against any form of discrimination or exploitation of the working force);

c) *Reduction to minimum of the negative impact on the cultural heritage and maximization of advantages* (observance of visiting rules, efficient valorization of the local resources, promotion of the community interests in relation to its own activity);

d) *Reduction to minimum of the negative impact on the environment and maximization of advantages* (saving resources; reducing pollution; preserving biodiversity and landscapes).

Obviously, the adoption of a management model associated with the concept of social responsibility is not deemed to have all these categories of objectives. It is important for every company, starting from size, resources, potential, perspectives, to define a set of objectives and to control their fulfillment, and to take into consideration when elaborating the implementation program all the internal and external conditionality factors (local or regional strategies; the interest of the business partners; the interest of its own staff; the objectives of the local community, etc.).

Moreover, in order to be acceptable and efficient, the voluntary social accountability must take place based on a *cost – benefit analysis*. The adoption of an integrated responsible management program implies, first of all, *arbitration between the short term objectives and the long term ones*. If, the most often, on short term, the company is forced to reconsider its concepts, objectives, priorities, partners, to “spend” for investments in new protective technologies for the environment, for the implementation of standardized systems (quality, environment, occupational safety) or for the improvement of the working and life conditions of the employees, on long term there can be benefits which place the company on a competitive advantageous position. Temporary arbitration also sends to the search of a new balance between the system of the present needs and that of the future needs, a balance mainly based on protecting and preserving the attractive resources.

Secondly, the adoption of the CSR model implies *new arbitration between the economic efficacy seen as central objective of the company and social efficacy as common objective of all the stakeholders and of the receiving population*. Such arbitration means the reconsideration of the

company basic functions, as a result of modifying the company role in society. Apart from the economic function of producing goods and services, the company integrates in itself a social function of producing welfare for the community as a whole. The economic, social and environmental impact on the destination no longer represents an externality for a business, but becomes an integrating part of the managing system, influencing the set of practices of the tourist industry, from creating the product and choosing the partners, to the management of human and environment resources, from the system of cost emphasizing to the marketing and commercialization strategies all along the chain of creating the offer and making the tourist production.

Thirdly, an essential role in this initiative belongs to the *balance between regulation and market instruments, based on increasing the market role, which can be established by the public authority*. Regulation acts is perceived at the enterprise level as a constraint instrument (the European Union has attractiveness problems in terms of tourism capital and not only, because of the perception of the internal market area as extremely regulated and little attractive, despite the significant potential of the tourism development). Hence, the perception of social and environment expenses as an extra cost with negative impact on the company profit and perspectives on the long term. Unlike the regulation instruments, the market instruments ensure through competition the allotment of resources in conformity with the new parameters, to the extent that they are integrated in the system of the choice determining factors (both at the level of the consumption decisions and of the production decisions). The development of the ecologic markets, the market information and transparency, the counseling systems, the agreements negotiated between industry and administration, reduction of the discrepancy between the economic and the social cost (by internalizing the externalities, both positive and negative) can contribute to taking on a responsible management in the tourist industry. The concepts of efficacy and competitiveness play here a key role. The efficient use of resources implies, as we have already mentioned, new balance between the short term perspective and the long term perspective, the cost of using the company resources being the same as the one of the society on the long term by using those resources; for example, if the economic agents do not care about the pollution effects in taking decisions, they will use resources to get goods and services which pollute or affect the human health if there is demand on the market; on the contrary, if the economic agents are not compensated when they act in favour of protecting the environment, their actions will be punctual, accidental or won't be at all. For this reason, the integration of the environment issues in the economic decisions must be correlated not only with the objectives of reducing pollution, but also with the economic objectives. Such an approach can be

efficient only if the efficiency and competitiveness of a company are evaluated not only from the point of view of the private costs, but from that of the social costs as well. Yet, in this process, it is essential that the market and not the regulation should establish the efficiency and position on the market of a company. Obviously, in order that the market instruments are efficient in the process of allotting resources, the markets must be competitive, functional, flexible, this being in fact the major challenge of the community policies about the internal market and the association of the tourist industry to the effort of achieving the Europe 2020 objectives. Moreover, for the market to act in conformity with the objectives of the sustainable development, the market price and the relative prices must convey information which should integrate not only the economic parameters but also the social and the environment ones. Such a market pattern can be shaped only by changing the consumption and production attitudes. In other words, the action must aim at the main determinants which are behind the systems of education and professional training. Not surprisingly, one of the action directions at the European level for promoting CSR consists in integrating the patterns of sustainable development and responsible management in the educational curricula at all levels, in addition to the development of research in the field. We can thus acknowledge the importance of changes which must take place in the systems of values, behaviors, attitudes, competences so that the business environment could take on voluntarily a function of social responsibility associated with the strategic objectives of sustainable development of a tourist destination.

Furthermore, increasing the market role in making a responsible manager can find support in the market transparency by sending information about enterprises extendedly, on one hand, concerning the impact of their activities upon the economic, social and natural environment and, on the other hand, concerning the involvement of the enterprise in the social and environment problems of the community. In the European Union some progress has already been made in this respect: including social and environment information in the annual management reports has become compulsory for the European enterprises by Directive 2003/51/CE (less for the SMEs, but with the perspective of a transparency framework being adopted for them by the European Commission), different authentication systems are adopted and implemented (of quality, environment, health, food safety, social responsibility), a number of Codes of Conduct and labels/brands showing adequate production or product for the environment issues have been adopted as well (the names of eco, bio). The European enterprises will be encouraged to introduce into their systems of evaluation the activity social and environment indicators thorough a method based on the life cycle. The new approach about the role of the enterprise on the European market

suggests an integrated approach, following the sustainable development pattern which should place the enterprise on the market depending on the economic, social and environmental impact (the “triple bottom line approach”). The challenge for the European enterprises is big by introducing such elements of the competitive advantage, considering that an increasing number of consumers on the market introduce in their criteria of choosing destinations, companies and products elements concerning sustainability, responsibility, social involvement and ethical behavior of the consumer.

Last but not least, a responsible management in the tourism industry supposes *the readjustment of the balance between the ex-post action and the ex-ante action, by increasing the role of the prevention and precaution principles*. The “the polluter pays” principle, widely used in the environment adjusted production ensures the advantage of short-term effects, but does not provide solutions from the long-term perspective; moreover, it leads to an inadequate transfer of cost from the producer to the consumer and society. Pollution has negative effects on health, on the increase in the public expenses, on affecting the quality of life, on reducing the productive potential of the work factor (negative effect on the social welfare); the recovery of the costs generated by the environment taxes and of fines takes place by increasing prices and/or the reduction of factor payment, leading to a diminution in the consumer welfare. Obviously, we can take into consideration the fact that the producer already takes on the “unpleasing” function of using resources, with the corresponding risks and must not be extra penalized (according to the liberal philosophy); in this case, we could accept the negative externalities (economic, social-cultural or environmental) as a rationally undertaken risk, the society being in charge of adopting the necessary measures for maintaining a balance of interests. We could also accept that the market and dynamics of values based on the natural selection will eliminate from the market the actors which do not obey the social or environmental requirements; what can be in this case the period of time in which the selection takes place or how can we establish a system of compensating the negative effects for those affected? Yet, the implementation of ex-ante principles introduces a responsible behavior (economic, financial, social and ecologic) of the tourism enterprise and avoids such disputes.

Consequently, the adoption of a responsible management by the tourist industry is not a simple “reshaping” of the classical business practices, based on production and oriented by the principle of profit maximization, but supposes a new structured and integrated approach, aiming at the whole business chain of values: make the investment, select the resources, choose the partners, the product portfolio, attract the customers, the marketing strategies, the human resource management, assess the impact on society. The starting point should be to work out a system of principles and values based on social responsibility and their integration as conditional parameters

in defining objectives, redefining the enterprise policies, strategic planning, in the production, distribution and commercialization processes, etc.

By relating to the current development pattern and to the specificity of the European industry, where the SMEs are prevalent for over 90%, the main role in promoting the social responsibility is played by the public policies (European, national), by creating a favorable environment, of challenge and support of adopting the CSR.

### **3. THE SUSTAINABLE TOURISM AND CORPORATE SOCIAL RESPONSIBILITY IN THE EUROPEAN CONTEXT**

The preoccupations at the level of the European Union concerning the promotion of CSR in the European business environment are quite recent and are associated with the sustainable development objective based on “very competitive market economy” which the member states suggested through the adopted treaties, starting with the Treaty of Maastricht (1992).

The acknowledgement of the impact of the tourist industry on the sustainable development of the European economy has taken place in the early 1990’s as well, through the 5<sup>th</sup> Environment Action Programme (1993-2000), called “Towards sustainable development”. The 5<sup>th</sup> Action programme gave priority to the implementation of two major principles: the transition from the ex-post traditional (emphasizing the command and control) to the ex-ante action based on prevention and precaution, by making responsible all the actors whose actions can have an impact upon the environment and integrating the environment policies into the sectorial policies, within a long-term strategic approach, promoting inter-conditionality between the environment protection and the economic and social objectives. In fulfilling these objectives, apart from the horizontal action, five key sectors have been identified for the implementation of the sustainable development principles: industry, energy, tourism, agriculture and transport. Responsible General Directorates had the obligation to take into consideration the environment aspects in all their legislative proposals and to draw up reports about the social and environment dimension of the specific activities every year.

In tourism, the first step was taken through the “Green Paper” of the European Commission of 1995, but the most important moment is, of course, the initiation of the “Tourism and Employment Process” at the European Council of Luxembourg in 1999. The results of debates held at the level of the working groups within the process on the 5<sup>th</sup> main thematic areas – information, training /employment, quality, new technologies and sustainability were synthesized in the Commission Communication of November 2001 “Working together for the future of European Tourism“

[COM(2001)665 final]. The recommendations of the four groups are, clearly, specific for the working area, but go towards the following key messages concerning the tourism development in the European area: the main role of information, knowledge and dissemination of information; the need for competent and motivated human resources from the perspective of medium and long term; the necessity to integrate the environment aspects and promotion of sustainable tourism; the need for European harmonization of the notion of service quality and tourist infrastructure and for adoption of a management system of the European tourism quality; the necessity to accelerate the integration of new technologies of information and communication in the tourist industry, and especially in the small and medium business; the necessity to develop networks of the tourist actors and of a generalized partnership for the implementation of recommendations (COM(2001)665 final). The recommendations were used to elaborate the strategic framework of developing the European tourism, by defining the priority axes of the Union tourist policies and were afterwards included in the Commission Communication of November 2003 „Basic orientations for the sustainability of European tourism“ (COM(2003) 716 final).“

The result of these preoccupations was materialized in the end in the elaboration of a European tourist policy in 2006 and adoption, after a long period of discussions, of Agenda 21 for tourism in 2007. The purpose of the Commission is the support and promotion of “improving the competitiveness of the European tourism industry and creating more and better jobs through the sustainable growth of tourism in Europe and globally” (COM(2007) 621 final).

Along with the development in shaping a strategy of sustainable development integrated in all the sectors of the European economy and an integrated enterprise policy, The European Commission has promoted a wide context of institutional and social partnership and dialogue for growth, competitiveness, employment and sustainability in the European area, associating enterprises as key factors, by taking on social responsibility. In the Communication of 2006 on promoting Europe as excellence pole as concerns social responsibility, the Commission specifies that: “Europe needs business to do what it does best: to provide products and services that add value for society and to deploy entrepreneurial spirit and creativity towards value and employment creation. However Europe does not need just business but socially responsible business that takes its share of responsibility for the state of European affairs” (COM(2006) 136 final). Important progress in the field of CSR was made from the first years of the last decade, in the context of adopting the Lisbon Strategy, through the Commission Communications of 2001 (COM(2001) 366

final)<sup>\*</sup> and 2002 (COM(2002) 347 final)<sup>†</sup> and creating the “CSR Forum”. The European Parliament joined these initiatives through its resolutions of 2002 (P5\_TA(2002)0278) and 2003 (P5\_TA(2003)0200). Moreover, in its guidelines about growth and employment of 2005-2008, the Council advises the member states to take on an active role in promoting CSR, while the European Commission Communication COM(2006) 136 final suggested measures for the Union to become a pole of excellence in the field of Social Corporate Responsibility. In 2006 the European Alliance for Corporate Social Responsibility was launched as open partnership for enterprises to promote and encourage CSR and more recently, in 2011, the Commission adopted the Communication “A renewed EU strategy 2011-14 for Corporate Social Responsibility” (COM(2011) 681 final).

An important contribution in supporting the enterprises wishing to adopt a pattern of the Corporate Social Responsibility is made by ISO 26000 Standard “Guidance on social responsibility” (2010) adopted by the International Organization for Standardization<sup>‡</sup>. Without being a classical certification system, the standard becomes a guide for adopting a system of social responsibility by companies (including for the SMEs), which associate the social governance system, human rights, labour practices, environment, fair operating practices, consumer issues, community involvement and development. Thus, the standard helps to support the European business environment, by answering the main CSR dimensions in the European Commission opinion: human rights, labour and employment practices (the role taken on in the professional training of employees, equal chances, other), environment responsibility (contribution to resource preservation, biodiversity promotion, analysis of the life cycle, pollution prevention, other), good governance in the fiscal field, fight against fraud and corruption, participation in the local development, integration of the consumer interests (COM(2011) 681 final). In the end, we could say that at the European level the aim is to create a favorable framework for the adoption of social responsibility by the European enterprises, as key factor in fulfilling the objectives of growth, competitiveness, employment and sustainability in the European economy, as European strategic objectives and in improving the performances of the European business environment.

Apart from the general advantages (comfort and safety generated by the favourable situation from the legislative and legal point of view; increase of profitability as a consequence of reducing costs, of using the new technologies or of adopting new efficient management systems;

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<sup>\*</sup> The Green Paper for the promotion of the Corporate Social Responsibility.

<sup>†</sup> Communication concerning the contribution of enterprises to the sustainable development.

<sup>‡</sup> Other very visible initiatives at international level for the support of the business environment to take on the social responsibility are: “Business Social Compliance Initiative”, a network created in 2003 at the Foreign Trade Association and “Global Reporting Initiative”.

improvement of the public image), some responsible behavior at the level of the tourist service providers is able to ensure in the tourist industry:

- *The shaping of a brand and product image which can be placed on the alternative tourism markets* (dynamic markets, with increased added value and cashing per days/sojourn over the average – see below) ;

- *The possibility of competitive placing on the international markets* (on the maturity tourism markets, the efficient communication of observing the sustainable practices by the company, in correlation with a good quality/price relation, may offer competitive advantages even in a strong competitive environment);

- *Client loyalty* (it is well known that on the tourist market it is the most efficient means of promotion and market stabilization);

- *Better capacity to ensure an integrated management of the tourist product quality* (the strategic perspectives of a tourism enterprise essentially depend on ensuring the quality of all components of the tourist “chain”; any break in the chain, whether the attractive resources or the functional ones, may compromise the products and market image of the company and region);

- *Increase contribution to the efficient valorization of the social-cultural and ecologic resources of the receiving area, as well as to the preservation of its attractive potential* (key element of the competitive advantage and irreplaceable production factor);

- *High potential of integration into networks and public-private partnerships organized around concepts associated with the sustainability strategic objectives in tourism* (with favorable effects on the region tourist attractiveness, on the business profitability, on the multiplication processes).

Apart from a favorable European context which promotes extremely dynamically the pattern of sustainable development and responsible association of enterprises to the fulfillment of the economic, social and environment strategic objectives of the European Union, there is still the key issue of the real perspectives of integration into the business environment of a new approach changing essentially the enterprise functions. In tourism, beyond the controversies and uncertainties related to the cost – benefit relation in taking on social responsibility, the market provides the possibility of efficient integration of the social and environment aspects in the enterprise policies by placing itself on the alternative markets, which, by their specificity, ensure a high level of compatibility between the tourist industry interests and the receiving destinations interests, from the perspective of sustainable development.

#### 4. ALTERNATIVE TOURIST MARKETS AS OPPORTUNITY FROM THE PERSPECTIVE OF SUSTAINABLE DEVELOPMENT AND PROMOTION OF SOCIAL RESPONSIBILITY OF ENTERPRISES

In essence, the alternative tourism includes those segments which, through market practices, attitudes and behavior are opposite to mass tourism. It is estimated that currently 20% of the market is made up of tourists that can be classified in the alternative tourism.

Tourists are more concerned by the receiving area, lay more emphasis on culture and nature, are more interested in communication; the dominant motivation is development, knowledge, communication.

The main market segments affected by new socio-cultural behavior which give content of the alternative markets are: cultural tourism, nature-based tourism (eco-tourism), sports tourism, rural tourism, preventive health tourism under the formula “a full physical and psychological form”. The positioning on the alternative tourism markets, as an option for developing a portfolio of products associated with a model of socially responsible management, is based on general characteristics of alternative markets, which can be structured, compared with mass tourism, as follows:

**Table 1 - The alternative tourism versus mass tourism**

The mass tourism	The alternative tourism
Generalist markets, extremely diverse, with medium income and medium level of education	Specialized markets, with high level of education, training and high-income
Daily expenditures relatively low	Daily expenditures above average
Poor reporting to the receiving environment	High level of reporting to the receiving environment (high dissemination of local factors)
Low added-value	High added-value
Competition through price	Competition through quality / differentiation
High elasticity in function of income and price	Low elasticity in function of price and income
Passive attitude, dominated by the four "S"* with standard holidays	Active attitude, dominated by the four "E"†, with personalized vacations, differentiated
The dominance of the quantitative component, materialistic in determining consumption	Importance of high post-materialistic values
Emphasis on the needs of evasion and diversification (simple products)	Needs of differentiation, communication/development (complex products)
Rushed tourist, regardless, itself oriented	Responsible tourism, oriented on the others
Aggression against the environment	Protective attitude towards the environment

Source: after Pascariu, G.C., 2006

\* „sand”, „sea”, „sun”, „sex”

† „environment and clean nature”, „entertainment and fun”, „education, culture and history”, „event and mega event”

The comparative analysis proposed by the joined table shows that alternative markets provide a correlation between the economic, social and environmental, presenting important opportunities, both at the level of private business and at the receiving communities, and also the specific forms of manifestation have good potential to support new trends in European sustainable tourism policies. The option to alternative markets does not have only opportunities but also risks, obliging to a strategic approach, based on strategies of tourist development, applied within public-private partnerships (table 2).

**Table 2 - Tourism markets among alternative opportunities and constraints**

<b>Opportunities</b>	
<b>At firm level</b>	<b>At destination level</b>
High profit merges	A good cost / benefit relation
Select clients	High level of training of the local / regional economy
Opportunities by loyalty of clients	The reducing of touristic negative externalities
Relatively low rivalry	The improving of the contribution of tourism to social progress, environmental protection
Faster recovery of investment	The transforming of the resort into a pole of training of development and competitiveness of the region
The possibility of obtaining a brand image	The possibility of obtaining a brand image
<b>Constraints / specific exigencies</b>	
<b>At firm level</b>	<b>At destination level</b>
The standardization of services	Public-private partnership
The integration of social and ecological considerations	Integrated Quality Management
Differentiated marketing strategies	System management / marketing of the destination
Flexible portfolio of products, possibly individualized, difficult management of the production, high marketing expenses	The need of sketching a tourism identity and a brand image

Analyzing the table 2, we see that the alternative tourism markets have on one hand certain opportunities and on the other hand constraints, both at company and at destination level. As we observe, the opportunities existing in alternative tourism markets are quite significant, bringing a net added-value in the company and destination. It also creates constraints rather some specific exigencies that must be properly correlated with various factors (we have here in attention the business environment, the type of the region in which tourism is, management system applied within the profile companies, financial aspects, etc.).

## CONCLUSIONS

In the European Union, the CSR concept is associated with the strategic option for sustainable development. By its specific activities, the tourism has significant impact on destinations, both

economically, socially and environmentally. For this reason, in orienting towards a pattern of sustainable development, the tourist destinations are conditioned by the adoption of an integrated strategy of developing and promoting those tourist practices (at the level of industry and tourists) which ensure optimum management of the marginal cost – marginal benefit relation, in developing the tourist function of a region. This aspect is much more important if the region is less developed, characterized by structural weaknesses (reduced diversity of production and trade, specialization in industries based on natural resources and labor), dependency on the external demand, on the external capital, it has low entrepreneurship quality, a relatively low level of education and professional training, is situated at great distances from the main centers and does not have a developed infrastructure.

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