Sustainable Development of a Tourism Destination: Realism or Idealism?

"Evaluating the sustainability of a destination development project through community-based ecotourism"

Case Study: SC WiSATA project in Flores, East Nusa Tenggara Province, Indonesia

A dissertation by

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Tourism Destination Management

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A dissertation by **Wout Neckermann**,

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To obtain the Master programme diploma in

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Declaration:

"I hereby declare that this dissertation is wholly the work of Wout Neckermann. Any other contributors or sources have either been referenced in the prescribed manner or are listed in the acknowledgements together with the nature and scope of their contribution."

Signed:

Wout Neckermann

Wednesday, 18 September 2013

Preface

Developing nations such as Indonesia see tourism as a potential answer to boost their economic growth. But to what extent is tourism able to help such countries to overcome their socio-economic difficulties and at what costs? Throughout my 5-year-long academic career as a tourism management student, the topic of 'sustainable tourism' has by far been one to stand out more than any other. Being a questionable theme, it is debated upon by academics, industry professionals and tourists alike. What, if anything, can make any form of tourism sustainable enough to develop a destination with long-term regard for all stakeholders, and what role does a development cooperation project have to play in this matter?

Financed by the Swiss State Secretariat for Economic Affairs (SECO), Swisscontact Indonesia's "Regional Tourism Development project beyond Bali" *'WiSATA 2009-2013'* is facilitating destination development on the island of Flores. When I received the chance to apply for an internship with the project, I knew at once that this was something I needed to do. It was the perfect opportunity to participate in a cause for sustainable development, and it has provided me with a dissertation topic that will hold my interest beyond graduation of the TDM course. Having commenced at the Denpasar office in July 2012, I acquainted myself with the organisation and its project components that aim to develop Flores as a 'sustainable tourism destination'. The project is centred on development, management and networking activities. Besides awareness creation and skills training, it involves actors from all sides of the stakeholder plane to unite and cooperate for sustainable development under Destination Management Organisation (DMO) Flores.

This document discusses the origins of sustainable tourism and its evolution towards what we know today as community-based ecotourism (CBET). The critical success factors of CBET are examined and these are translated into qualitative assessment criteria (QAC) to assess certain methods of the WiSATA project in Flores on its viability for successful and sustainable development through tourism. As a case study, this work is an excellent reference for future destination developers in regions that are at a similar stage of economic development as the people of Flores. The report's findings on the case study may encourage stakeholders to question and reformulate their own views on 'sustainable development through tourism', and can serve as a baseline for destination developers in similar regions to perhaps improve their own destination development and management strategies.

During a year of fieldwork that served as the primary research phase of this report, I have had the opportunity to meet with industry professionals, association representatives, external project consultants, as well as beneficiaries of the development project in Flores. Whilst I served as 'Project Assistant' by creating surveys, writing informative and promotional articles, researching academic sources to back up project activities, and conducting multiple field trips to Flores Island, my considerations for a thesis topic were being shaped and I took information in like a sponge, keeping data records of all my findings. Furthermore, informal discussions, observations and open interviews have given me many insights into the essence of 'sustainability' regarding destination development. This report explores these findings, discusses them from a practical approach perspective, and qualitatively evaluates them on a matrix with criteria from academic literature.

The internship was an enriching experience, for which I am grateful to all my colleagues and friends in Indonesia. This report is dedicated especially to them, and to my parents- who have never failed to support me with all my goals. Writing a dissertation has made this experience all the more enlightening; many thanks therefore go to the NHTV professors, through whom this study was made possible. Last but not least, a special mention of thanks to my supervisor HJM, who provided mentor guidance and remained patient with my every request for a new extension of the hand-in deadline.

I hope you will enjoy reading this report as much as I have enjoyed writing it.

Terimah kasih banyak!

Executive Summary

This master dissertation aims to find an answer to the question whether a 'sustainable tourism development project' is a valid sustainable development tool for 'rural' regions, by "evaluating the sustainability of a destination development project through community-based ecotourism."

Having volunteered as Project Assistant to the SwissContact WiSATA project (in Flores, Indonesia) between July 2012 and June 2013, the author chose this case study for the report. The project is centred on capacity building, awareness creation and network linkages, inviting actors from all sides of the stakeholder plane to unite and cooperate for sustainable development under Destination Management Organisation (DMO) Flores.

This document discusses the origins, meanings and purposes of sustainable tourism, from an idealist perspective to a marketing strategy, and to a concept with real potential for making a positive change: CBET. By making connections and giving examples, this dissertation explains how 'sustainable tourism development' can serve as an 'engine for economic growth' by attracting foreign exchange. Thereby, the question arises as to what extent sustainable tourism development could be argued as a tool to enhance the livelihood of local communities, conserve the environment, and provide economic benefits to a region. The following research questions are formulated:

➢ What is the connection between sustainable development and tourism?
➢ What are the normative goals of sustainable development and how do these relate to the positive goals of sustainable tourism?
➢ What tourism destination management methods and development strategies are employed by WiSATA and by DMO Flores, and to what extent are these effective?
➢ How do the methods and strategies of the WiSATA project and DMO Flores compare to the normative goals and practical CSFs of CBET?

To answer these questions, the normative goals and critical success factors of CBET are first examined, and then translated into qualitative assessment criteria (QAC), by which holistic selections of methods, strategies and activities that fall under WiSATA's DMO approach in Flores are measured.

Qualitative primary research methods were used in the field to extract information on the project's working methods in Flores. Mostly observations, meetings, interviews and workshops served as primary sources, but also telephone calls and a survey. The information material was gathered digitally, or manually noted and then later digitalised. A qualitative assessment of this data followed, resulting in a quantitative representation of numerical results in an assessment matrix.

The author enjoyed the primary research phase, as it allowed him to work in a multicultural environment on a contemporary topic that holds his interest to this day. Especially contact with experts, professionals and 'project beneficiaries' were valuable moments in the field. On the downside, the author was not able to communicate directly with locals or utilise many government documents, due to various linguistic barriers.

The research results point out that the SC WiSATA approach scores well on its assessment results for all three CSFs of CBET, meaning that its methods and strategies are aligned with the normative goals and practical CSFs of CBET. Furthermore, the document offers a reflection on what the essence of sustainable development is, and why it matters from whose perspective it comes into practice.

As a case study, this work is an excellent reference for future destination developers in regions that are at a similar stage of economic development as the people of Flores. The report's findings on the case study may encourage stakeholders to question and reformulate their own views on 'sustainable development through tourism', and can serve as a baseline for destination developers in similar regions to perhaps improve their own destination development and management strategies.

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List of abbreviations

APEC	Asia Pacific Economic Cooperation
ASITA	Association of the Indonesia Tours and Travel Agencies
CBD	Community-based development
CBET	Community-based ecotourism
CBT	Community-based tourism
CSF	Critical Success Factor
CSR	Corporate social responsibility
DMO	Destination management organisation
EDM	External Destination Marketing
GDP	Gross Domestic Product
HPI	Himpunan Pramuwisata Indonesia, Indonesian tour guide association
IATA	International Air Travel Association
IB	International business
IDD	Internal Destination Development
MNC	Multinational corporation
MoU	Memorandum of Understanding, i.e. a document that expresses mutual accord between parties on a certain topic
MSME	Micro-, small or medium enterprise
MTCE	Ministry of Tourism and Creative Economy of Indonesia
NGO	Non-governmental organisation
NTT	*Nusa Tenggara Timur* (East Nusa Tenggara), Province of Indonesia
PHRI	Perhimpunan Hotel dan Restoran Indonesia, Indonesian association of hotels and restaurants
PPP	People, Planet and Profit, also known as 'the Triple Bottom Line' (see TBL)
QAC	Qualitative Assessment Criteria that are used in this report
ROSEA	(SwissContact) Regional Office in South-East Asia, based in Jakarta.
SAF	Strategic Approach Factor of the WiSATA Project (i.e. planning, management, development, marketing)
SC	SwissContact, Swiss Foundation for Technical Cooperation
SECO	*Schweizerische Eidgenossenschaft Confédération Suisse*, State Secretariat for Economic Affairs of Switzerland
SK	*Surat Kepustusan*, legal decree of the mayor in a district (local authority level)
SMK	*Sekolah Menengah Kejuruan*, high school for vocational training in Indonesia
SWOT	Strengths, Weaknesses, Opportunities and Threats
T&T	Travel & tourism

TBL	Triple Bottom Line (see PPP)
TIC	Tourism information centre
TMO	*Tourism Management Organisation;* a local branch of the DMO in Flores
TNKe	*Taman Nasional* Kelimutu (Kelimutu National Park)
TNKo	*Taman Nasional* Komodo (Komodo National Park)
TTCI	Travel & Tourism Competitiveness Index (by WEF)
UNEP	United Nations Environmental Programme
UNWTO	United Nations World Tourism Organisation
WCED	United Nations World Commission on Environment and Development
WEF	World Economic Forum
WiSATA	'Wisata' is the Indonesian word for 'Tourism'. It is the name of the SC project for sustainable tourism destination development on the island of Flores.
WTTC	World Travel & Tourism Council

Liability Statement

I, Wout Neckermann, the author, have taken reasonable care to ensure that the information contained in this document is accurate. However, I give no warranty that the data and interpretations are complete, or free from errors or inaccuracies.

The dissertation aims to provide an insight into the sustainability of regional development through tourism, by means of a subjective analysis framework that was constructed, based on my interpretation of academic and practical insights. Although (a part of) this research is based on primary information from the case study in Eastern Indonesia, the data has undergone a biased procedure of extraction and interpretation. As much as I have tried to minimise these influences of researcher subjectivity, it is those influences that must be held accountable for the messages in this work.

I therefore take full responsibility for the contents of this report. No members of SwissContact or SwissContact WiSATA, or any of their affiliated partners, mentioned or not in this work, can, will and should ever be approached or held responsible on the grounds of this document.

Signed:

Wout Neckermann

Wednesday, 18 September 2013

1. Introduction

In our modern-day world, there are strong poles of winners and losers in every aspect of society. In a frenzy of capitalism and consumerism, governments tend to place more importance on the growth of their economies rather than on the wellbeing of this planet's natural environment or that of its inhabitants. Whilst multinational companies and the economic fittest commoditise every possible resource through large scale international business (IB), a 'weaker' population segment must suffer as its land becomes neo-colonised by multinational corporations (MNCs), and its cultural and natural resources are exploited almost beyond repair. We live in "a world driven largely by avarice, greed [and] self-interest" (Wheeller B. , 2008, p. 471).

In times of environmental and social degradation like these, IB is generally regarded as an important influence to both home and host countries, not only as part of the problem, but potentially also as part of the solution (Kolk, 2010). As one of the major players in international commerce (WTTC, 2012), the tourism industry is no exception to this. In fact, tourism has come to represent one of the main sources of income for many new economies (WTTC, 2011), and has therefore unsurprisingly been presented as an 'Engine for Economic Growth and Development' for developing countries (APEC Tourism Working Group, 2012).

As our society becomes more aware, our media more outspoken, and our products more diverse, responsible business ethics have become a global trend, forcing corporations and tourism firms to adapt their products according to the dynamic demand of the world market. Whilst non-governmental organisations (NGOs) coordinate social development programmes and state institutions employ environmental conservation policies, MNCs incorporate social responsibility (CSR) projects in host countries. Tourism is also following this global trend, made evident by the popularisation of 'responsible travel' and 'sustainable' forms of tourism development. Yet the academic world remains sceptical about whether modern-day 'sustainable tourism' really is as sustainable as it is marketed, and much critical literature can be found (Goodwin, 1996; Sirakaya, 1999; Kiss, 2004; Wheeller, 1991, 1993, 1994, 2005, 2008). The question whether today's popularly marketed 'sustainable' forms of tourism honestly -and effectively- work towards achieving sustainable development is thus answered by academics en masse with a shake of the head.

However, there also exist tourism development models and tourism management concepts which, if planned well and implemented correctly by the right stakeholders, could be argued as having a good orientation for social, economic and environmental sustainability. Under the name '*community-based ecotourism*' (CBET), these developments are finally making a breakthrough in tourism projects worldwide (Conservation International, 2012). But what is the essence of CBET from a normative perspective and what role(s) can it play for a region, regarding practicality and applicability, in the bigger picture of environmentally and socio-culturally friendly, sustainable economic development as a whole?

The international NGO Swisscontact (SC) is implementing the WiSATA project, to handle the planning and implementation of CBET destination development on the island of Flores, in the East Nusa Tenggara (NTT) province of Indonesia. Through stakeholder collaboration models and the establishment of a DMO, the project involves all actors to coherently work towards a common cause: to develop Flores island as a CBET destination that enhances the wellbeing of local communities, protects the natural environment and cultural heritage, and at the same time offers a valuable tourism experience to visitors whilst stimulating the local economy (WiSATA, 2012-2013).

But to what extent is the success of the WiSATA project in Flores sustainable, and how do its methods, employed to achieve durable destination development, perform against criteria that could be formulated from academic research on the normative development goals of CBET?

2. Problem Statement

2.1. Research Goal

The goal of this dissertation is to find the extent to which the SC WiSATA development project can effectively develop the region Flores with long-term vision for normative sustainability.

2.1.1. Aim

The aim of the research is highlighted as follows:

"To evaluate the durable success of the SC WiSATA project in its mission to develop Flores Island as a CBET destination, from a normative perspective on sustainable development."

2.1.2. Conceptual definitions

Sustainable development:

Defined by the UN (1989) as *"development that meets the needs of the present without compromising the ability of future generations to meet their own needs."*

Source: (United Nations, 1989, p. 4)

The report will elaborate on this term with a literature review.

Normative perspective:

Defined by BusinessDictionary.com (2013) as:

A perspective that is "conforming to a standard of correctness through prescribed norms, rules, or recommendations, as opposed to mere description or statement of facts; evaluative, not descriptive. For example, normative data is collected not just to describe ("What is this?") but to understand ("What is going on?") the underlying phenomenon."

Source: (WebFinance Inc., 2013)

The normative perspective of CBET is the ideal academic/theoretical opinion on what objectives this concept must accomplish or reach, by and/or for specified stakeholders.

Durable success:

The term 'durable' is defined by Merriam Webster Online as *"able to exist for a long time without significant deterioration."* (Merriam-Webster Inc., 2013)

The durable success of the development project (or vice-versa; its successful durability) in this research is the extent to which its methods reflect a steady achievement of fulfilling the mission and objectives with, as a result, a sustainable level of continuity in its activities that will not harm the potential for future generations to continue these activities.

Summarising the research goal; the aim of this paper is to measure how sustainable the WiSATA development project is, according to normative criteria that need to be defined by means of an academic literature review.

2.2. Research Objectives

From the research goal, some objectives have been formulated. The dissertation research consists of two main research objective(s):

1. **To discover the critical success factors (CSFs) of CBET from a normative perspective, in order to formulate qualitative assessment criteria (QAC) by which destination development activities can be measured in a case study.**

To make an in-depth analysis of the normative goals (i.e. what it should be) of sustainable development and to find out how these relate to the positive goals of sustainable tourism (i.e. how it is really practised). Also, to consider briefly how tourism can be seen as an engine for economic development.

It is an exploration of the meaning behind sustainable (tourism) development, when and why the concept emerged, and what its essential goals are. Furthermore, the evolution from sustainable business practices towards sustainable tourism is looked into, as well as how this is applied by travel and tourism (T&T) agencies today. The quest is to determine how CBET can be regarded as a successful destination strategy for sustainable economic, social and environmental development.

From the conclusions drawn in this first part, the critical success factors (CSFs) of CBET are highlighted and serve as a basis for drawing up criteria to assess the destination development methods of the WiSATA project on their long-term potential for durability.

2. **To find the extent to which the WiSATA project is successfully sustainable regarding its tourism destination management strategies and activities, according to the criteria that were created from the CSFs of CBET.**

The case study is introduced, including a brief description of the WiSATA project and a contextual introduction to the situation in Flores. From there, four main strategic approach factors (SAFs) of the project to achieve sustainable development are brought forward and explained. These SAFs, extracted from primary research sources, are then assessed by their level of sustainability, through criteria that have been formulated from academic research on the normative development goals of CBET (see first objective above), by means of a Qualitative Assessment Matrix (see Table 8).

A results analysis looks into finding meanings and reasons behind the assessment results, highlighting specific aspects of the project and explaining how these affect the sustainability of the project, as well as how it may evolve in the future. The combination of these factors provides the report with the conclusions it seeks.

2.3. Research Questions

Based on the research aim and approach, the following research questions (RQ) and sub-questions (SQ) were formulated. They have been placed under their respective research objectives:

1. *"To discover the critical success factors (CSFs) of CBET from a normative perspective, in order to formulate qualitative criteria by which destination development activities can be measured in a case study."*

   - **RQ: What is the connection between sustainable development and tourism?**
     - o SQ: What are the essential goals of sustainable development?
     - o SQ: In what ways can tourism help to economically develop countries such as Indonesia?
   - **RQ: What are the normative goals of sustainable development and how do these relate to the positive goals of sustainable tourism?**
     - o SQ: In what ways can community-based ecotourism be regarded as a more effective sustainable development tool than other forms of green and social tourism, and what are its critical success factors?
     - o SQ: How can these CSFs be translated into qualitative assessment criteria for destination development activities that revolve around CBET?

2. *"To find the extent to which the WiSATA project and DMO Flores are successfully sustainable regarding their tourism destination management mission and strategies, according to the criteria that were created from the CSFs of CBET."*

   - **RQ: What tourism destination management methods and development strategies are employed by WiSATA and by DMO Flores, and to what extent are these effective?**
     - o SQ: What are the objectives of this DMO and how does it work towards fulfilling these?
   - **RQ: How do the methods and strategies of the WiSATA project and DMO Flores compare to the normative goals and practical CSFs of CBET?**
     - o SQ: How can the methods and activities of WiSATA and DMO Flores be evaluated according to the predetermined qualitative assessment criteria that are based on CBET's normative and practical CSFs?
     - o SQ: What are the Strengths, Weaknesses, Opportunities and Threats to the success of WiSATA and DMO Flores in fulfilling the long-term goals of sustainable development?

The RQs are structured in a way that they build up towards each other. The main RQ that this paper specifically addresses, and which will be answered in the conclusion, will therefore be the final one:

"How do the methods and strategies of the WiSATA project and DMO Flores compare to the normative goals and practical CSFs of CBET?"

3. Methodology

This chapter highlights the research- and analysis- related methods that are employed to critically discuss the research topic and the case study. The methodology explains the common thread of the research strategies employed by the author to explore the relation between sustainable development and sustainable tourism; and to use this exploration as a base to formulate criteria on which the activities of the WiSATA project can be assessed, surrounding the sustainable development of emerging destination Flores through community-based ecotourism.

3.1. Research Structure

The mixed method research (multi-strategy design) pragmatically flows from the research goal and objectives, and from the thence deriving research questions, which are handled somewhat chronologically throughout the course of this paper. Therefore, the research itself consists of two main parts, followed by conclusions and reflections. The research method framework is illustrated in Figure 1.
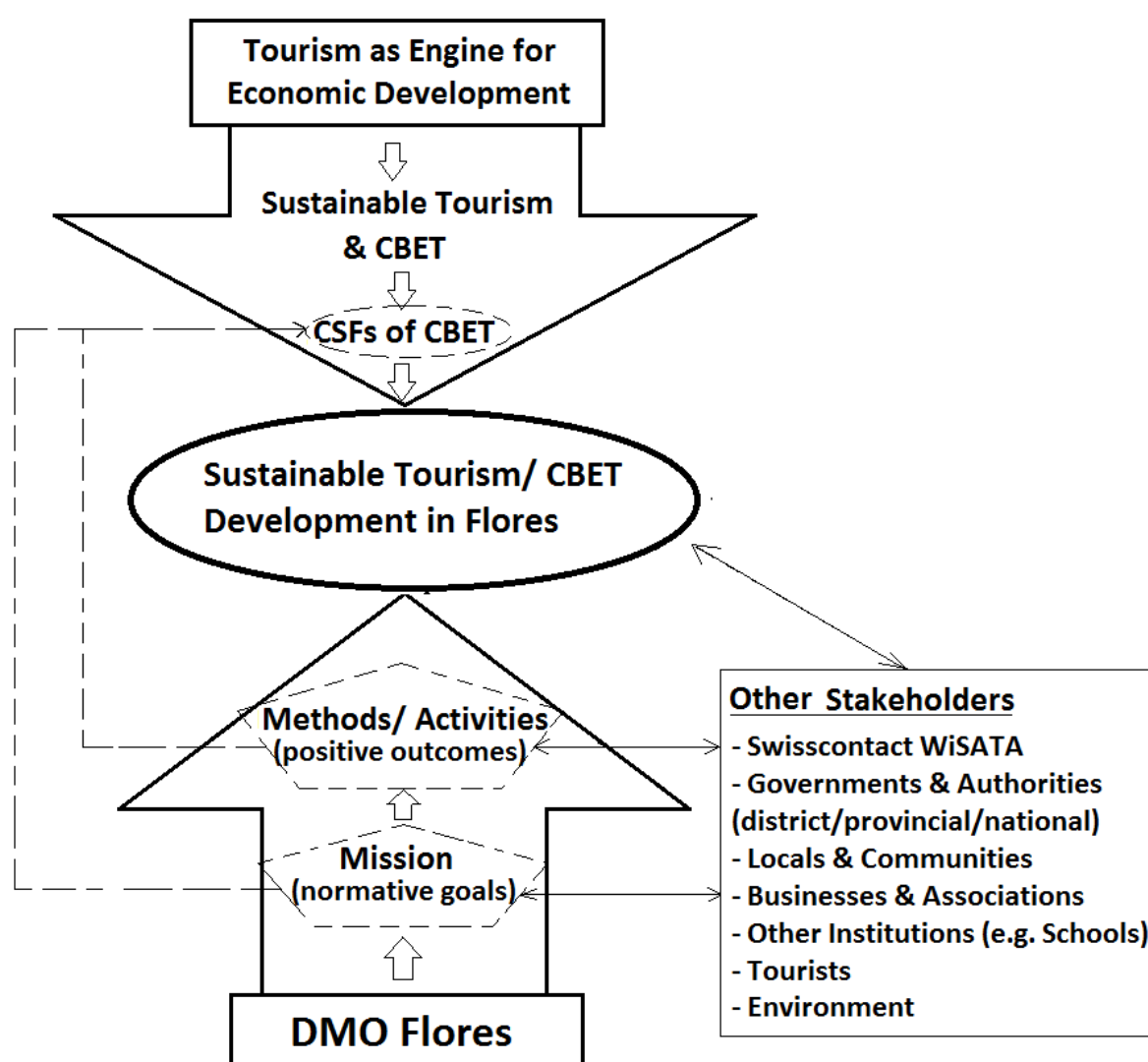

Figure 1: Research Method Framework on the link between the CSFs of CBET and DMO Flores activities

First of all, a profound literature review on the (missing) links between sustainable development and tourism is performed; thereby highlighting the tourism industry's potential to contribute to socio-

environmental and economic development in destinations such as the case study. From there, the implementation issues for sustainable development are brought forward, and the term CBET is introduced as a possible solution to this problem regarding the tourism industry. Furthermore, an analytical literature review aims to determine the critical success factors (CSFs) of this concept, from which qualitative criteria are formulated. These are then used in the next step of the research.

The second part is centred on the SC WiSATA project. An introduction to this case study provides the reader with background information on the project in its context, whose four strategic approach factors (SAFs: destination planning, management, marketing and development) are then brought forward, as primary data from the author's knowledge of the project. It is these four SAFs that are consequently assessed according to the afore-set qualitative assessment criteria (QAC). The numerical (quantitative) data that results from this analysis are presented in a Qualitative Assessment Matrix (see Table 1). As a part of this step, the project's stakeholder collaboration models are also brought forward and the stakeholders are clustered by their salience, according to the model by (Mitchell, Agle, & Wood, 1997).

To conclude the research, a results analysis discusses the sustainable strengths and weaknesses of the WiSATA development project, summarising the evaluation of its SAFs. Conclusions are then drawn on "*the sustainability*" of the "*destination development project*" in Flores "*through community-based ecotourism.*"

3.2. Assessment Method

The WiSATA approach to sustainable development is evaluated by means of a multi-strategic assessment of its approach factors and their impacts, whereby quantitative (numeric) data are used in a Qualitative Assessment Matrix (to represent qualitative findings).

By means of Qualitative Assessment Criteria (QAC), defined by reviewing literature on sustainable development through CBET, the Qualitative Assessment Matrix provides an overview on the average score of WiSATA's strategic approach factors, comprising of:

- its planning and monitoring activities, i.e. 'idea-forming' and 'control mechanisms'
- its methods to implement these plans, including their activities

The SAFs are analysed in a qualitative manner, and for each normative QAC they are given a score between 0% (lowest sustainability) to 100% (highest sustainability). The average of these scores per CSF determines a quantitative average level of sustainability for every project activity by every CSF, and an overall level of sustainability can also be calculated from these numeric values.

3.2.1. Qualitative Assessment Matrix

Being a qualitative assessment, the given scores are based on a personal judgement from the author's experience with the project, and must therefore be seen as a snapshot in time of the author's interpretation of the project's June 2013 status. Every component of WiSATA's range of activities is measured according to their degree of sustainability in terms of these QACs, which are defined later in this work. Every SAF is assessed with a score system, whereby the factor can score between 0% (totally not sustainable) and 100% (totally sustainable) for each of the CSFs of CBET (as determined in *5*), and based on the conditions associated with these. The results can be quantitatively brought to an average score, which determines the sustainability of every aspect of the development project approach. See Table 1: Qualitative Assessment Matrix of WiSATA destination development performance for an overview of how the qualitative assessment matrix will be used in this report to evaluate the WiSATA project's strategic approach factors (SAFs) by the CSFs of sustainable development.

Table 1: Qualitative Assessment Matrix of WiSATA destination development performance

Strategic Approach Factors ↓		CSF 1. People				CSF 2. Planet				CSF 3. Profit				Average Sust.
		QAC 1.1. ...	QAC 1.2. ...	QAC 1.3. ...	Average CSF 1	QAC 2.1. ...	QAC 2.2. ...	QAC 2.3. ...	Average CSF 2	QAC 3.1. ...	QAC 3.2. ...	QAC 3.3. ...	Average CSF 3	
SAF1: plan. & mon.	Activity 1	p	p	p	c	p	p	p	c	p	p	p	c	S
	Activity 2	p	p	p	c	p	p	p	c	p	p	p	c	S
	Activity 3	p	p	p	c	p	p	p	c	p	p	p	c	S
	SAF 1 Average	m	m	m	a	m	m	m	a	m	m	m	a	V
SAF 2: DMO (dest. mgmt)	Activity 1	p	p	p	c	p	p	p	c	p	p	p	c	S
	Activity 2	p	p	p	c	p	p	p	c	p	p	p	c	S
	Activity 3	p	p	p	c	p	p	p	c	p	p	p	c	S
	SAF 2 Average	m	m	m	a	m	m	m	a	m	m	m	a	V
SAF 3 IDD (dest. dvmt)	Activity 4	p	p	p	c	p	p	p	c	p	p	p	c	S
	Activity 5	p	p	p	c	p	p	p	c	p	p	p	c	S
	Activity 6	p	p	p	c	p	p	p	c	p	p	p	c	S
	SA F 3 Average	m	m	m	a	m	m	m	a	m	m	m	a	V
SAF 4 EDM (dest. mktng)	Activity 7	p	p	p	c	p	p	p	c	p	p	p	c	S
	Activity 8	p	p	p	c	p	p	p	c	p	p	p	c	S
	Activity 9	p	p	p	c	p	p	p	c	p	p	p	c	S
	SA F 4 Average	m	m	m	a	m	m	m	a	m	m	m	a	V
Entire Project		Q	Q	Q	B	Q	Q	Q	B	Q	Q	Q	B	T

Legend:

CSF = Critical Success Factor
QAC = Qualitative Assessment Criteria
SAF = Strategic Approach Factor

The table above is an assessment matrix for the average level of sustainability of the project and its methods (i.e. Strategic Approach Factors), as they are assessed by the QACs of this report; based on the CSFs of sustainable development (defined in a literature review).

The boxes marked with 'p' are the scores given to each QAC of every project component (SAF), whilst those with 'm' give the SAF averages for every QAC. The 'c'-labelled boxes indicate the average CSF score for each SAF activity, whilst the sections marked with an 'a' give the average CSF score for every SAF.

In the bottom row, the total project average is given ('Q') for every QAC, and the CSF averages too ('B'). In the right column, the average sustainability of each activity is given ('S'), as well as the average for every SAF ('V'). Furthermore, the bottom right box ('T') gives a total, all-inclusive indication of the level of sustainability of the destination development project in its entirety, calculated with an average of all the primary scores (all weighing the same).

Strategic Approach Factors: Planning & Strategic Approaches

The WiSATA project's planning activities are evaluated alongside its implementation methods, because they lay at the foundation of the project's intended influence on the destination. Do the planning activities of the project account for all CSFs of normative sustainability? The Strategic Approach Factors define the methodology of the project and its activities that are/were being implemented in an attempt to accomplish sustainable development through tourism. These activities are the tools and they are therefore assessed by the CSFs of 'sustainable tourism', in order to determine their impacts on Flores's environment, communities and economy.

Evaluation by criteria

The qualitative assessment criteria are subject to the CSFs of CBET, and therefore they must be understood through a literature review on CBET and only determined afterwards. The origins of these criteria are therefore discussed further on in this dissertation.

3.3. Research Methods

Before and during the writing of this dissertation, both primary and secondary research methods were employed:

- Primary research consisted of mostly qualitative data collection methods: open interviews, meetings and workshops, as well as field visits and telephone calls, informal discussions and observation notes, the combination of which gave a holistic insight into the project activities.
- Secondary research comprised of reviewing facts and opinions in articles, books, reports and online websites, where data was found to support discussions surrounding the theories that are applied in this work.

The paper applies a (secondary research) theory-based criterion approach to make a qualitative analysis of the practical situation of the Swisscontact (SC) WiSATA project (from primary research findings) and to explain the authors' analytical conclusions on the successful durability of the project as a PPP developer through CBET.

3.3.1. Pre-thesis phase: primary research

Before this work was written, the author spent one year (between July 2012 and June 2013) as an intern with the SC WiSATA project in Denpasar, with field visits to Flores Island. The tasks that were performed during the internship, and which are relevant to this work, can be generalised as supporting the activities of SC WiSATA, through primary (and, to some extent, secondary) research data collection and structuring:

- Drafting informative texts on the project for the organisation's head office, and for donors, press, and other stakeholders;
- Documenting the project methods and activities in a step-by-step process guide, i.e. a 'Practitioner Handbook on [sustainable] Destination Development' for tourism managers in similar destinations.

By linking the author to the research case, the internship period created a contextual background knowledge base on the case study. As mentioned above, during this primary research phase, the author performed many assignments, which centred on the establishment, key development, management, and marketing aspects of the WiSATA development project. The information gathered during these assignments coincided with a potential topic that was being considered for the thesis.

These tasks and activities, which allowed the author to survey and assess the project from up close for a year, provided incredible insight into the development project. Additionally, regarding the large amount of time spent with the organisation, the internship period proved very useful to the author for 'passive primary research collection', whereby many resourceful insights and knowledge were gained over time; which could have been overlooked, had this phase been shorter in timing.

During this period of time, the author was based in Bali, which allowed for participation in workshops, meetings with tourism experts and professionals, speaking with key tourism stakeholders and community leaders, discussing formally and informally with colleagues in the office, and conducting field visits to Flores, where both staff and beneficiaries of the WiSATA development project were visited. **Appendix 1** gives a dated table of specific primary research moments and contacts. The main primary research methods that were used are highlighted below.

- **Field visits, mystery shopping**, **observations** and a **survey** on Tourism Associations
- **Meetings, open and semi-structured interviews, conversations, telephone calls formal and informal discussions** with people and/or institutions that have a good take on the situation and on the topic, including colleagues, supervisors, experts, industry professionals and destination stakeholders, such as tourists, governments on various scales, local community representatives, industry association representatives and (other) beneficiaries of the project.

Open conversations and semi-structured interviews were held with these groups and individuals by spontaneously engaging in conversation and by meeting with multiple stakeholders, staff and relevant third parties, while observations were made constantly in the office and in the field. The information material was gathered digitally, or manually noted and then later digitalised.

During the field visits, '*mystery shopping*' was a commonly applied research technique. It is a tool which allowed for discreet knowledge gathering at the project sites to witness the stakeholders in their normal behaviour, and without attracting 'special researcher treatment' from them. Furthermore, the '*triangulation' method* was employed where possible, to ensure that the quantitative and qualitative information supplied by primary and secondary sources is accurate. This means that, where possible, research data and/or facts were double checked with other sources before being accepted as valid. As an *insider*, the author-researcher could access primary research answers to any questions on a daily basis, thus enhancing the validity and reliability of the research.

All in all, the combination of specific discretion and/or validity enhancement techniques has made the primary research phase a very resourceful one indeed. The methods explained above have allowed the author to shape a bigger picture of the entire destination development project, as well as allowing for the possibility to zoom in and focus on specific impacts to certain stakeholders.

As well as laying foundations for critical thinking on the topic, these insights serve as the main primary research source throughout the chapters where different aspects and components of the WiSATA development project are highlighted and evaluated. The presentation and interpretation of the mostly primary research from this 'pre-thesis phase' was carefully thought out and purposefully assessed during the post-internship period.

Some secondary research was also carried out during the internship year, but much more so afterwards, i.e. during the writing of this work, for topic-relevance purposes. Having taken this multi-faceted approach, the author was able to obtain a broad picture of the whole project, zooming in on certain activities that were witnessed during the primary research phase, and analysing them with secondary research data and thence- flowing criteria afterwards.

3.3.2.   Secondary Research

Secondary research comprises the data that were collected from websites, journal articles, reports, books, and other documents to serve as the backbone for guiding the research, so that the mission and strategies of the WiSATA project and DMO Flores, and their impact on its stakeholders and external factors (e.g. environment), could be assessed correctly. The main purposes of the secondary research include:

- To explain the importance of tourism in a socio-environmental and socio-economic development context; thereby highlighting the relevance of the research assignment
- To find academic information to serve as the foundations for theoretical, normative criteria that effectively evaluate the CBET aspects of a destination development project
- To find recent news on global market trends and developments, as well as those in or around the study area; so that the research is placed in a context of space and time.

The sources that were consulted as secondary research include topic-relevant books, (journal) articles and other academic literature, reports retrieved from SC WiSATA or from websites, and other internet sources, such as DMO documents. The complete list of cited and consulted sources can be found in 'Bibliography'. The combination of primary and secondary research data in this report creates a resourceful insight into the topic and the case study. With this insight, the author was able to determine qualitative assessment criteria and subject the case study to these to provide a holistic overview on the 'sustainability' of the development project.

3.4. Accuracy & Subjectivity

As does every research design, this one too has some limitations that restrict its findings and results. Since it is a socio-political study, the thesis results are restricted to the socio-political boundaries of the Flores island region in space and in time (time frame anno 2012 and 2013).

It must be noted that there is an inevitably planned bias in this research. Being a multi-strategy (qualitative/quantitative) research design, the scores given to approach factors through CSFs of CBET are in fact a subjective opinion, based on an interpretive qualitative perspective of the author. The conclusions are based on information that the author has derived from both primary and secondary sources; especially the former, such as opinions and observations shared during conversations with experts and/or colleagues. The author observed the project activities through his cultural spectacles, and therefore the tendency to have a subjective opinion exists.

A maximum effort was placed on obtaining a holistic picture of the development approach by integrating all knowledge surrounding the various aspects of the project into the research, to prevent negligence. However, considering the scope of the development project, one can hardly expect that every detail has been taken into account, and therefore a margin of error must be forgiven. The bias was limited during the primary research phase by asking for second opinions on certain perspectives from colleagues. Being from different backgrounds themselves, some having a lot of experience in the field, this combination of varied opinions ensured a more holistic approach to the qualitative study.

3.5. Added value of this report

The added value of this report is an insider's academic perspective on a practical destination development project. Considering the amount of time spent on primary research, the author was able to obtain a deepened insight through observations, opinion-forming and re-forming.

As a case study, this work is a reference for future destination developers in regions that are at a similar stage of economic development as the people of Flores. The report's findings on the case study may encourage stakeholders to question and reformulate their own views on 'sustainable development through tourism', and can serve as a baseline for destination developers in similar regions to perhaps improve their own destination development and management strategies.

Note that destination Flores and its DMO are unique in their regard, and therefore certain (social, natural, political) aspects are limited to this case. However, in a similar destination with similar characteristics and issues, certain results and conclusions are also applicable.

4. Critical analysis of CBET

The goal of this chapter is to fulfil the first objective of the paper, by answering the associated research questions (see below, from 2.2 and 2.3) through an academic literature review.

Research Objective 1:

"To discover the critical success factors (CSFs) of CBET from a normative perspective, in order to formulate qualitative criteria by which destination development activities can be measured in a case study."

- **What is the connection between sustainable development and tourism?**
  - o What are the essential goals of sustainable development?
  - o In what ways can tourism help to economically develop countries such as Indonesia?
- **What are the normative goals of sustainable development and how do these relate to the positive goals of sustainable tourism?**
  - o In what ways can community-based ecotourism be regarded as a more effective sustainable development tool than other forms of green and social tourism, and what are its critical success factors?
  - o How can these CSFs be translated into qualitative assessment criteria for destination development activities that revolve around CBET?

4.1. Sustainable Development

"Today, most governments, international development agencies, trade associations, academic institutions and non-governmental organisations acknowledge that without sustainability, there cannot be development that generates benefits to all stakeholders, solves serious and urgent problems such as extreme poverty and preserves the precious natural and man-made resources on which human prosperity is based."

Source: (WTO-UNEP, 2005)

Following the "*conceptual division and resultant disassociation between humankind [...] and the remainder of the natural world*" (T. Gladwin, 1995), sustainable development is an environmental and social management concept that appeared in the 1980s, when the World Commission on Environment and Development (WCED) was asked to formulate "a global agenda for change" (WCED, 1987). Having recognised the destructive nature of economic development, the Commission's intentional goal was to meet the needs of present and future generations, by working to fulfil the short-term drive towards economic benefit whilst "*envisioning a long-term balance with environmental protection and maintenance of socio-cultural integrity*" (C. Jayawardena, 2008). Sustainable development emerged from an annex that was added to the 1987 Brundtland Report, "Our Common Future". This annex defined sustainable development as "*development that meets the needs of the present without compromising the ability of future generations to meet their own needs*" (United Nations, 1989, p. 4).

4.1.1. The Triple Bottom Line

When speaking of sustainable development, there are three main aspects to hold in regard. They are known as the Triple Bottom Line (TBL) (Elkington J. , 1997), and comprise People, Planet, and Profit (PPP). In order for sustainable development to succeed, there must be a win-win-win situation between PPP as a result of the activities performed under a cause-no-harm initiative.
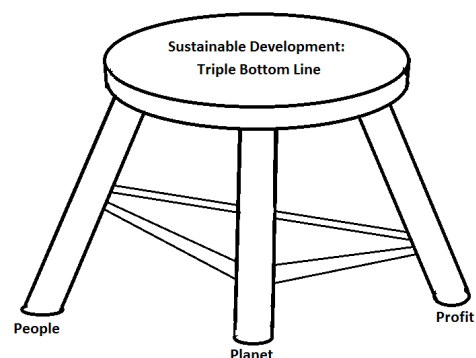

Figure 2: Triple Bottom Line
Source: Author's adaptation of (Elkington J. , 1997)

It is an approach that helps communities, authorities and businesses to manage their assets in such a way that they "prosper financially while protecting and renewing the social, environmental and economic resources" for sustained use in the long-term.

4.1.2. Implementation Issues of Sustainable Development

Following its emergence, 'sustainability' remained a relatively passive concept for some time. To highlight this, terms such as *biosphere*, *environmental quality*, *ecosystem*, and *sustainable development* appeared on average in less than 0,003% of abstracts in the leading management journals of the early 1990s (T. Gladwin, 1995). David Ehrenfeld's "Arrogance of Humanism" (1981) describes this phenomenon as "*a belief in the inevitability of the success of humankind*", and "*faith in the ultimate value of reason, science and technology*". According to him, society at that time was somewhat convinced that *our unique characteristic intelligence will save us [...] from any damage we may do or mistakes we may make"* (Puny Human Alias, 2009).

Over the years, however, social and natural disorders have led to ethical and philosophical discussions at various scales of governance and academia, and our society finally wakes to the impacts that our growing population is having on the planet. It must be held in mind that the majority of our world's population, that lives in 'developing countries', is struggling to find a balance between economic progress and social welfare (The World Bank, 2013), let alone resolving the issues of socio-environmental sustainability. Politicians in these countries are therefore not always able to take very effective measures with relevance to sustainable development, which seems to have been a low-priority project until recently (Holliday, 2002). Furthermore, inhabitants of so-called 'advanced economies', who do have the education, understanding and financial means to support a movement toward sustainability, are not completely willing to suddenly and completely change their lives for the sake of the 'common good'- "the Arrogance of Humanism" seems to persist.

It comes down to business and economic growth being prioritised in human mindsets over sustainability (and consequently over the long-term survival of the human race). Furthermore, Conservation International's Centre for Environmental Leadership in Business claims that the importance of economic growth has left us no option but to integrate it into conservation efforts; and that it is therefore largely up to private sectors (e.g. MNCs) to take initiative for large scale changes to become effectively sustainable- see Figure 3 below (Conservation International, 2012).
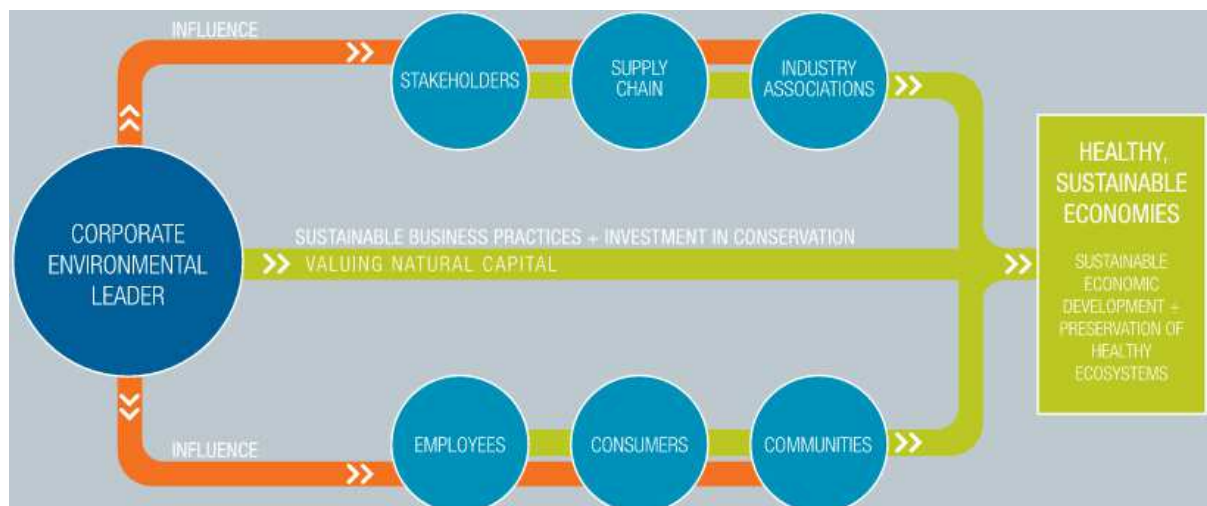

Figure 3: Framework for Corporate Environmental Management
Source: Conservation International (2012)

The framework shows how green business models can involve all stakeholders of a corporation to integrate their activities in an effort toward achieving a healthy and sustainable economy.

> *"Many NGOs realise that they cannot ignore the market if they want to find and deliver solutions to complex environmental and social problems. Greenpeace and Oxfam, for example, were totally aggressive at one point and then recognised that you can't completely ignore the market. The market is powerful; business is powerful, and you need to engage to find solutions."*

- Jane Nelson in (Holliday, 2002, p. 155)

An increasing demand for more sustainable business practices has caused firms and organisations to start turning away from irresponsible practices and change their focus toward newer, more socially and environmentally aware business ethics (Bonnedahl, 2013). Besides this, legal regulations are increasing the pressure on corporations, who are finally adjusting their economic activities through stakeholder-oriented approaches, such as corporate social responsibility (CSR) and 'sustainable development' programmes. In CSR programmes and such, both public and private sector can work together in their strife to resolve complex sustainability problems by partnering together across national and international boundaries (OECD Round Table on Sustainable Development, 2002).

> *"To effect real change, companies, NGOs and governments need to move beyond dialogue to partnership. Dialogue is often the first step, but partnerships are able to mobilise a wider range of resources, enhance innovation, and increase access to networks"* (Holliday, 2002, p. 156).

But how can developing countries ever hope to keep up with more experienced economies, when they are engulfed by the dynamic global economic system? With regard for the mentioned hindrances to sustainable development, a gradual, collective change is necessary, which must be driven by all stakeholders, for all stakeholders. The public and private sector need to partner up and cross-border dialogue is indeed necessary to share knowledge and experience, and to solve problems collectively.

> *"[...] Countries that have economically developed more slowly seem to have suffered through staying relatively out of the market rather than entering into it. Globalisation provides tremendous opportunities for those in developing nations in a position to seize them. The challenge is [...] to help them find a place in the new economic order. In developing countries, the key goal is to bring people into the market."*

(Charles Holliday, 2002, p. 48)

In the developing world, many nations look towards the rapidly emerging tourism industry for answers to sustainable development (APEC, 2012).

4.2. Tourism as 'Engine for Economic Growth'

The current business volume of tourism equals and even surpasses that of oil exports, food products or automobiles. It has become one of the major players in international commerce, and has come to represent one of the main sources of income for many developing economies (WTTC, 2011). It is therefore not surprising that tourism is presented as an 'Engine for Economic Growth and Development' (APEC, 2012).
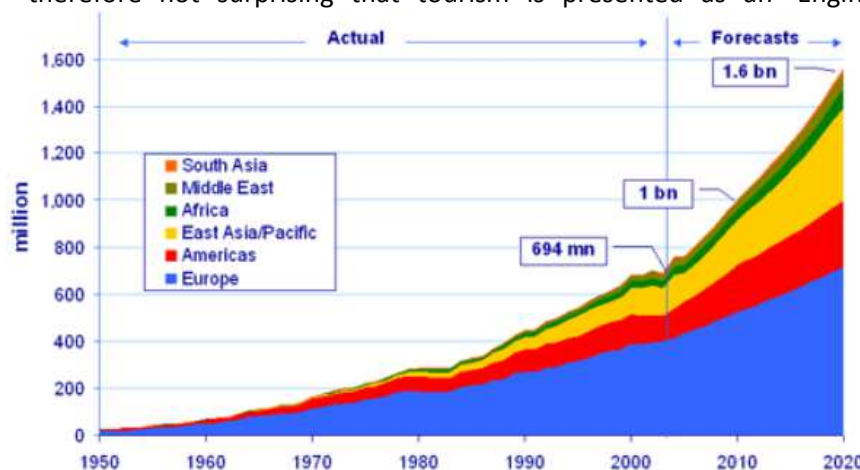

Table 2 (left) shows the 2003 forecasted trend of world tourism numbers, with the x-axis showing a timeline against the y-axis of actual and forecasted growth of world tourism (in millions of international arrivals worldwide). Although the figures have been slightly irregular since

Table 2: World Tourism Forecast by Decade. Source: (UNWTO, 2003)

the time of forecast, the UNWTO has not yet planned to adjust this 2020 forecast, as 'the general trend remains the same' (UNWTO, 2003). Noteworthy is that the East Asian/Pacific countries see a rapid expansion after the turn of the century, a fact that is also confirmed in actual figures (APEC, 2012) (WEF, 2013). In fact, International tourist arrivals grew by over 4% in 2011 to 980 million and this number reached the historic milestone of one billion by the end of 2012 (UNWTO, 2012).

4.2.1.   Global Tourism

A labour-intensive sector, travel and tourism (T&T) has the potential to create employment and business opportunities at three levels, see Figure 4. The Direct T&T economic value is that which derives directly from businesses that are relevant for the T&T sector, e.g. accommodation and transport. The Indirect T&T economic impacts of tourism encompass incomes and employment derived from its value chain (e.g. indirect services and suppliers). And last but not least, the Induced T&T impacts regard the direct and indirect incomes from tourism as they are spent elsewhere in the economy. Worldwide, tourism is the third largest industry after oil/gas and

**Figure 4: Levels of impact of the tourism industry
Source: (WTTC, 2013)**

electronics, good for 3.5 trillion USD annually, which is 6.6% of the world income (WTTC, 2012).

Many countries have thus realised that it is an important sector for their economy, and especially developing nations have increasingly played in on this. In fact, the most rapid growth in the tourism sector is now taking place in developing countries (WTTC, 2012 & UNWTO, 2012). Their populations can directly join in the shares of tourism revenues by providing services such as tours and transport, accommodation, food and beverage, or by creating handicrafts to sell as souvenirs (Swisscontact indonesia, 2007).

Being a valuable source of foreign exchange which contributes to financial stability, tourism may contribute to local economic development through coordinated development strategies that build on the local culture and identity, protecting the environment and creating business opportunities. Through the economic benefits brought about by tourism development, successful destinations are able to invest in education and healthcare. Furthermore, Micro-, Small and Medium Enterprises (MSMEs) in the hands of discriminated groups (e.g. gender, race, religion) are a means for them to fight social injustices, and besides that, well-managed tourism projects are also able to re-invest some of the revenues in protecting their local environments. The above are all examples of how tourism development can help regions and their inhabitants to stimulate welfare, and work towards achieving the Millennium Development Goals (MDGs) of the United Nations:

- Eradicating extreme poverty and hunger
- Achieving universal primary education
- Promoting gender equality and empowering women
- Reducing child mortality,
- Improving maternal health

- Combating HIV/AIDS, Malaria and other diseases
- Ensuring environmental sustainability
- Developing a global partnership for development.

Source: (United Nations, 2010)

Holding in regard that a well-managed tourism destination can reap economic benefits which, if invested properly, have the potential to contribute toward human welfare and environmental rights, tourism can indeed be seen as a driver for development.

4.3. Sustainable Tourism vs. Sustainable Development

Having been recognised as an easy investment 'shortcut' to boost the economy of a region, stakeholders in many destinations have taken this phenomenon to their full advantage. As inhabitants of tourism destinations witnessed how their living environments were turned into a commodity that were soon visited by the masses, the tourism industry is known as one that comes with a price: high impacts on the natural and socio-cultural environments (Davidson, 1997). It is only a matter of time before those areas with some remaining authenticity are discovered for their tourism potential by the global reach of this competitive industry. How then, can tourism development be beneficial to sustainable development of a destination's social, environmental and economic welfare?

4.3.1. Sustainable tourism in context

It has become exponentially important for authorities and communities to conserve their land, rather than to sit back and watch it be uncontrollably exploited beyond its authentic natural and socio-cultural carrying capacities. As the world unites under international organisations to promote an environmentally friendly and respectful way of life and travel, academic literature and public opinion have become increasingly aware of the negative impacts that the tourism industry tends to have on the natural, cultural and socio-economic environments of destinations (Jayawardena et. al, 2008; Saarinen, 2006; Selin & Chavez, 1994). As do other sectors, tourism managers have to take such factors into consideration when they are planning to undertake a new development project.

4.3.2. Sustainable Tourism: a success or a trend?

Whilst academics have been writing about the theory of sustainable tourism for some time already, the delay in its practice confirmed Wheeller's (2008) argument that being confronted with issues in society does not necessarily set us to act upon changing them immediately. Over time however, demand in tourism products became characterised by a stronger craving for responsibility than ever before. Profit-driven tourism agencies at first adjusted their products as a response to social pressure arising from an increased awareness of their clients. Soon after that, going on a green-labelled holiday became a worldwide trend. As it was more expensive than mass tourism, 'sustainable tourism' became a status symbol for the traveller who had more financial means and was willing to pay extra.

Regarding the attention it received from the media as well as its demand-side desirability and supply-side offer, sustainable tourism definitely came to be a successful phenomenon, in theory. The responsibility behind travel was the hottest topic for international tourism organisations and conferences at the turn of the century, urging tour operators to become involved with different forms of so-called 'alternative tourism' and 'sustainable tourism' (Mbaiwa, 2004). The emergence of these products was characterised by the emergence of a stupendous list of 'ecolabels' for tourism from both the private and public sectors in different countries (Ecolabel Index, 2013).

The general morality of these alternative forms of tourism comes down to creating a win-win-win situation for hosts, guests and the environment alike, by generating long-term profit while at the same time conserving resources and maintaining opportunities for future generations to benefit from those same resources (Goodwin, 1996; Rocharungsat, 2005). However, how sustainable is a product that focuses on protecting only aspects of the social, natural, and/or economic environments, to the detriment of other factors? According to Jayawardena et al. (2008), sustainable

tourism balances short-term profit motives with long-term commitment to environmental protection, cultural integrity and economic vitality; but this is not seen much in reality.

With meanings that range from implying a certain degree of sustainability, every term that is used to express 'sustainable tourism' has a specific focus on what is being 'sustained', thereby appealing to a certain type of tourist. Tourism managers all over the world have promoted their products as 'sustainable', using all kinds of imagery to evoke the feeling that their destinations and activities contribute to the wellbeing of the local communities and natural environments. Studying these labels, however, reveals that their definitions often overlap but never tend to encompass all aspects of sustainability, and even in the academic and professional worlds, much confusion exists about the differences and similarities between them. The so-called 'private voluntary eco-labels have even been assessed by the OECD as "trade distorting, discriminatory and environmentally disappointing" (OECD Round Table on Sustainable Development, 2002).

Considering the normative definition (what it should be) of sustainable tourism and comparing it to the positive definition (how it is practiced in real cases), one could question exactly how beneficial most cases (and labels) of 'sustainable tourism' really are. Academics (Goodwin, 1996; Sirakaya, 1999; Kiss, 2004; Wheeller, 1991; 1993; 1994; 2005) have argued that in most cases, terms associated with 'sustainable tourism' merely serve as 'labels' to destinations, creatively adapted by destination promoters and tourism companies. When used as a marketing tool, such labels please the conscience of 'responsible tourists', or give status to those who seek it. The real motives behind these labels and hence their degree of sustainability are therefore often questioned and criticised. Hunter (1997) elaborates on those theories by stating that the goals and principles of sustainable tourism have become too distant from those of its parent concept, namely sustainable development.

As our society becomes more aware of the importance of responsible business ethics, there is a market push and a stakeholder push for more sustainable business practices, which (Bonnedahl, 2013) argues as insufficient, as the former focuses on the customer too much and the latter on stakeholders; rather than on the concept of sustainability as a whole. Although the market trends are shifting, from exploitative mass tourism to sustainable, high-quality programmes that preserve the environment which are socially and culturally aware, there remains much to be done to guarantee the general sustainability of tourism activities.

What exactly does the term 'sustainable tourism' mean, and what does the normative definition of sustainable tourism development encompass in terms of managerial and development goals and objectives? How can destination managers work towards accomplishing these and what challenges do they face when they aim to reap benefits for all three pillars of the triple bottom line, namely people, planet and profit (Elkington J. , 1997)?

4.4. Community-Based Ecotourism

Sustainable tourism labels often encompass only one aspect of conservation or social responsibility, thereby losing focus from the bigger picture. Furthermore, the terms are often abused by destination promoters, rather than being used as guidelines by destination developers. Those reasons result in criticism. Furthermore, achieving real sustainability may prove to be very difficult due to the need for consensus between diverse stakeholders with diverse needs (Mkono, 2010). Government bodies, private businesses and local residents need to communicate their goals, perspectives, and opinions amongst each other, in order to reach consensus on a tourism plan that advocates conservation of human and natural resources.

Community-based ecotourism (CBET) can come out as a possible solution to the problem of diversification and loss of focus, as CBET actively involves a tourism destination's local community in the preservation of their socio-cultural and natural environment whilst generating a profit that can be sustained for their later generations too.

4.4.1. Ecotourism

The term "Ecotourism" was first used by Ceballos-Lascurian in 1983 (Davidson, 1997), and described by the International Ecotourism Society as tourism that "conserves the environment and improves the well-being of local people" (Yamada, 2011, p. 139).

Although, like the other "labels of sustainability", ecotourism does not seem to fit 100% in the picture of realistic sustainability, as there is no emphasis on the involvement of all stakeholders. Many alternative and sustainable tourism projects do not recognise the need to work together with host residents. When residents do not feel they are benefiting in any way from (tourism) development when regularly confronted with it, they may become agitated and acts of veiled resistance or even explicit forms of open resistance may occur (Maoz, 2006). This in turn could lead to a devaluation of the tourism product, which in turn threatens its long-term sustainability. In order to gain the locals' favour and cooperation, these people must be given a voice, responsibility, and power (Yamada. 2011, 145).

4.4.2. Social Tourism & CBT

Tourism developers and managers did not often recognise that development projects must be developed from bottom to top; which requires stimulating initiatives from local residents (Rocharungsat. 2005, 385). This is where community-based tourism emerged as the latest concept amidst the accelerating evolution of sustainable tourism. A community is a group of people that live in the same social setting with one another (Jamal & Getz, 1995), which contains "a set of social relationships based on something which the individuals have in common", as quoted from Marshall by Rocharungsat (2005, 24). The term "community-based" refers to a concept in the hands of a local community; empowering them to make decisions that influence themselves and their environment, and which offers them potential to gain benefits. As Mkono (2010) believes, revenues generated from community-based tourism can be used to develop communities.

However, a profit-driven mentality could destroy a culture's integrity by commoditising its values, and therefore awareness on sustainability issues should be created within these communities. When ecotourism and community-based tourism are merged into one, we achieve another form of alternative tourism which combines the ethical morality on conservation and social inclusion with sustainable, long-term benefits that result from local initiative and effort: community-based ecotourism (CBET).

4.4.3. CBET

Neil and Wearing (Wearing, 1999) described alternative tourism as small-scale projects that contribute to the economic growth of a region's host communities and which prioritise on minimisation of the negative impacts that tourism can have on the environment and on the local community. From this perspective, community-based eco tourism (CBET) was born.

> *"Community-based eco tourism has become a popular tool for biodiversity conservation; based on the principle that biodiversity must pay for itself by generating economic benefits, particularly for local people."*

Source: (Kiss, 2004, p. 232)

Community-based ecotourism is a concept that inspires or encourages local communities to start tourism projects that are friendly to their socio-cultural, natural and economic environments. Having the project as their own empowers them to make decisions that affect their surroundings and responsibilises them for the consequences. It is becoming a successful concept of doing tourism sustainably. However, as mentioned before, tourism is a high-impact industry, so careful planning is necessary to avoid negative consequences on a destination and its environment.

Being listed as a success story by many international organisations such as the UN, and also by academic writers, many of the latter have also expressed their thoughts about its limitations. For example, Kiss (2004) wrote that ecotourism only provides a relatively small income for local communities. Especially because it is small-scale, not much positive change effectively takes place in the bigger context of the use of land and resources. Also, she recognises that it depends too often on foreign or international organisations for investment and education. Although community-based ecotourism has great potential, it usually needs a long-term investment of money and effort in order for the project to be successful.

As Neil & Wearing (1999), Sirakaya et al. (1999), Rocharungsat (2005), Mkono (2010) and many others recognise, the most sustainable way of doing tourism is by generating high revenues from few tourists. The price tag that comes with such tourism packages attracts an "up-scale" tourist that expects higher quality and a personalised service. In order to provide the demanded quality for these tourists, locals must learn how to offer these skilled services. In that sense, how sustainable can we label CBET; if it means shaping a community into what tourists want it to be? In order for the destination to be successful, the communities must be able to host visitors in a specific way. If this requires adjusting the local community values and behaviour, how sustainable can this still be considered on a social level? Kiss (2004) points out another obstacle to community-based (eco) tourism, in that it is limited to relatively small areas and small groups of people. Considering it works bottom-up, it is very local and therefore various projects must be set up in different regions in order to be able to change the impacts of receiving tourists on a national scale.

Following the line of thought of academics such as Wearing & Davidson (1997), Kiss (2004) explains that the connection between social or ecological gain and commercial success is very weak; especially in the competitive industry of tourism. Seeing tourism in this shadow of commercialisation, can it ever become fully self-sustainable in the long-term, conserving the environment and dealing with respect for everybody, while maintaining a steady flow of income? Moreover, if it does, will that be able to support the three pillars of the Triple Bottom Line?

5. CBET: Basic Elements, CSFs and QAC

Now that the attributes and challenges of CBET have been brought forward, the critical success factors (CSFs) of a CBET destination must be defined in order to explain how the CBET project can be assessed. In other words, which conditions must its approach factors meet in order for the Flores CBET development project to be regarded as a successful and sustainable method for developing a region through sustainable (and thus successful) tourism?

5.1. Basic Elements of a Tourism Destination

Destinations contain a number of basic elements which attract visitors and satisfy their needs. The development of these basic elements and their quality standards are influential in tourists' decisions to visit them, and therefore they have great influence in determining the competitiveness of a destination, thereby affecting its long-term success and, from a profit-perspective, its sustainability (Internship, 2012-2013). The UNWTO noted a tripod of core activities, or strategic approaches, that serve to develop a new destination's basic elements. This tripod of destination development involves *management*, *marketing*, and *development* (UNWTO, 2007). The tripod enhances the basic elements of a tourism destination, which can be broken down into the following: *attractions*, *amenities*, *accessibility*, *image*, *human resources* and *price* (UNWTO, 2007). They must be developed or maintained in good state, in order to keep up a good destination quality and image.

5.1.1. Attractions

Every tourism destination has certain assets that attract domestic and international visitors. These 'attractions' are often the focus of visitor attention and may provide the initial motivation for tourists to visit a destination (UNWTO, 2007). Attractions can be categorised as natural, built, or cultural:

Natural	Landscapes and scenic beauty, fauna and flora, weather. Activities include: trekking, mountain biking, horse-riding, rock-climbing, safari, diving and snorkelling.
Built	Historical monuments, cultural heritage sites, religious buildings, conference and sports facilities. Activities such as museum visits, guided city tours, business visits and other man-made attractions are some examples.
Cultural	History, arts and crafts, events and performances, people, cuisine. Activities such as attending festivals, cooking classes, art schools, shopping for arts and crafts, as well as historic tours are some examples.

These categories can also be combined, for example by combining a visit to a traditional village with trekking and bird-watching. Less tangible factors, such as uniqueness and emotional or experiential triggers, may also attract tourists to a destination.

5.1.2. Amenities & Accessibility

The facilities and services that support tourism activities include infrastructural necessities such as utilities, public transport, and roads, but also direct tourism services such as an information bureau, operators and guides, recreational facilities, as well as possibilities for catering and shopping. The destination should be easily accessible by air (commercial flights), land (roads and/or trains) or water (ships and ferries), and visitors should also be able to travel easily within the destination. Other conditions such as visa requirements, border control points and ports of entry also affect the accessibility of a destination (UNWTO, 2007).

5.1.3.   Image & Price

To attract visitors, a destination must have a unique character or image. If potential tourists are not aware of the presence of a destination's attractions and amenities, these will not play a role in determining an outsider's perception of the destination. The image of the destination can be enhanced by highlighting its uniqueness, safety, service quality, natural beauty, and the friendliness of its people. Pricing is also an important aspect of the destination's competition with other destinations. Price factors relate to the cost of transport to and from the destination as well as the cost of accommodation, attractions, food, and (tour) services.

5.1.4.   Human Resources

Another important determinant of a destination's tourism attractiveness is the competence of its workforce and the friendliness of its people. Being a highly interactive (tourist-local) sector, a region's citizens must be well-aware and prepared to deal with the associated responsibilities of hosting visitors, in such a manner that they also benefit from these activities. Tourism personnel must be well-trained so that they are able to cross cultural borders and meet international quality expectations. Strategic HR Management is therefore a crucial component of effective destination development activities (World Tourism Organisation, 2007).

The basic elements of a tourism destination play a major role in the success of a tourism destination, and therefore they must be managed in an appropriate way, so as to create an attractive tourism destination. However, no matter how attractive and visitor-accommodating these may be developed, they must abide by a certain set of critical success factors (CSFs) in order for their success to endure in the long-term. Therefore, the sustainability CSFs of a CBET destination must be known.

5.2.   Characteristics of a 'Sustainable Destination'

In chapter 4.1.1, the report briefly discussed a concept introduced by Elkington in 1994; the Triple Bottom Line (TBL). Being a term that is linked to companies that are actively involved in business policies aiming to increase/sustain the quality of the environment and the welfare of local communities, whilst at the same time generating socio-economic profits for their stakeholders, the TBL also has potential in tourism- if it is practised right. When we speak of sustainable tourism development, the CSFs that should apply are therefore especially the three P's of People, Planet and Profit.
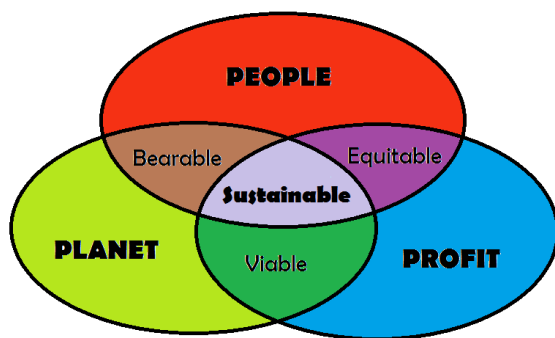
Figure 5: The Triple Bottom Line
Source: Author's adaptation of (Elkington J. , 1994)

Figure 5 (above) is a representation of how the triple bottom line supports the sustainability concept. By taking *People*, *Planet* and *Profit* in regard, the triple bottom line ensures that a development is bearable, viable and equitable, altogether.

5.2.1.   Bearable/socio-environmental

Bearableness of the triple bottom line implies awareness of safety, health and environmental justice. This includes respect for and active support of environmental regulations and guidelines, engaging in efforts such as increasing communities' access to potable water and their capacities to handle problems, such as crisis (e.g. disaster) management.

5.2.2. Viable/ Eco-efficient

Eco-efficiency is an attribute of business activities that aim to reduce their use of resources and therefore their ecological impact too, whilst at the same time creating economic value (Livio D. DeSimone, 2000). In tourism, it can be translated into terms such as resource efficiency, product stewardship, and life-cycle management. Maintenance of eco-trails, beach clean-ups

5.2.3. Equitable/ Socio-economic

Equitable activities are those who abide by a code of business ethics that are committed to support and give back to the community (Davis, 2013), through job creation, skills enhancement and social investments. The economic impacts of these activities are not only felt by the company or organisation and by a national economic growth, but also on a local level.

5.2.4. Triple Bottom Line

The desire to become a recognised sustainable destination presents a development, management and marketing challenge, in which all elements and players must be brought together to develop their image and to compete cooperatively on the global scale as a strong tourism destination. Sustainable development, supported by the three pillars of TBL, implies that the above characteristics will be upheld in the destination. As Bornhorst et al. (2010) found, a destination management organisation (DMO) has a core function in this process, serving both a management and a marketing function. By communicating among all market players, it not only brings the interests of all stakeholders together in working towards a common goal and thereby supporting internal destination development, but also promotes the destination towards the international and domestic tourism markets. If the DMO manages to coordinate all market players to fulfil their function, the tourism destination is most likely to succeed.

5.3. Defining QAC to evaluate the CBET project

Every organisational entity has its own way and degree of implementing sustainable business practices, for which the Triple Bottom Line (TBL) is accepted by many references as the purposeful standard (C. Jayawardena, 2008). The aim of this sub-chapter is to use the TBL to define qualitative assessment criteria (QAC) by which the effectiveness of the CBET project in Flores can be assessed. These QAC are based on the critical success factors (CSFs) of CBET and take shape as the 3 Ps of People, Planet and Profit. This subchapter therefore answers the last research questions that belong to the first objective, and defines the QACs by which the project activities are assessed in Table 8Table 1.

5.3.1. CSF1. People (social equity)

CSF1 implies that, through the project's activities, all people, whether they are involved as active or passive stakeholders, or simply as third parties, must not suffer negative consequences from activities performed in a sustainable development project. Therefore the project must involve/reach out to communities and respect the diversity of indigenous cultural values, incorporating human rights into its mission and strive to create equal opportunities for everyone.

When talking about sustainable tourism development, there are specific stakeholder groups and roles of people to take into account. These include local entrepreneurs in tourism, native communities, and those who use the land for other purposes, such as agriculture. Their livelihoods must increase as a result of the CBET development project.

QAC1.1. Networking: Involvement of local and regional actors

Under social equity networking, we understand the contacts that are established between a project and the various local and regional actors (i.e. communities, authorities, firms…) in the region. "Stakeholder dialogue is important in any movement toward sustainable development because it enables people to recognise differences and common views" (Charles Holliday, 2002). To what extent are the stakeholders involved in the strategic approach factors of WiSATA, to what extent do they want to be involved, and how much effort is placed on ensuring that every stakeholder has a say and the possibility to be involved in the CBET activities?

QAC1.2. Response to the needs of local communities

In order for CBET activities to be equitable and bearable, it is important that the needs of local communities and/or residents are listened to, analysed, evaluated and adhered by. Is their livelihood effectively being sustainably improved through the CBET project, and to what extent are the CBET activities responding to those needs? Also, how much effort is placed on ensuring that those who do not want to be involved in the activities are still taken into account?

QAC1.3. Appreciation of cultural heritage

This QAC evaluates the extent to which the CBET project's approach factors showcase a certain degree of appreciation for the cultural heritage that is being brought to the tourism market. If visitors are able to receive enough information about a cultural heritage site, they are informed enough and can understand how to appreciate and respect those sites and inhabitants. In other words, the score given by this criterion evaluates the approach factor's planned/resulting respect and appreciation of cultural heritage by developers and visitors alike, with the intended purpose of preservation by both tourism developers and visitors alike.

5.3.2. CSF2. Planet (environmental integrity)

When planning sustainable tourism development, it is important to strive for a clean, natural environment that can endure in the long-term, to be enjoyed by locals and tourists alike, and also by those of later generations. This means that the pollution of land, water and air through CBET activities should be minimised, and the biodiversity should be conserved/protected. In a CBET development project, this means that preventive measures against pollution and land degradation are very important. Also, a CBET project must focus on integrating the conservation of fauna and flora in its activities.

QAC2.1. Preventive measures against pollution & land degradation

To what extent is the CBET project taking environmental justice in regard? Are environmental regulations being kept up, and/or is the project taking preventive measures of its own to prevent pollution and land degradation that could possibly result from associated activities? Are the local communities and entrepreneurs being made aware of the importance of waste reduction and recycling programmes, and are those awareness creation methods effective?

QAC2.2. Conservation of fauna and flora biodiversity

To what extent do the CBET mission and strategic approaches contribute to the conservation of biodiversity in the destination? Are tourists and locals being made aware of the (endemic) biodiversity in their region, and of its importance? To what extent does the project contribute to creating awareness around the impacts of economic development on the ecosystem? Are its activities taking into account the global norms around sustainability and to what extent do these abide by those?

QAC2.3. Appreciation of natural heritage

In order to prevent a degradation of the natural environment, the understanding and willingness to accept its importance must surpass the economic value of (tourism) business activities, in the perception of locals, developers and tourists alike. In other words, a common appreciation of the natural heritage would secure efforts from all sides to ensure its protection and conservation. This can be evaluated through measuring the number and strength of national park, nature and conservation area authorities and associations in the region, but also by looking at every approach factor and finding the level of appreciation for natural heritage in every activity. For example, when planning to develop, is the natural heritage being considered and to what extent is it influential in determining the scope and nature of development activities? Do tourists learn how important the ecosystem is to the region through the project approach factors? A score from 0-100% implies the level of appreciation for the natural heritage.

5.3.3.   CSF3. Profit (economic viability)

Besides maintaining or improving the green and social environments, CBET must account for a sustained economic viability of its activities too. This means that a continuous generation of business earnings must be ensured, with eye for stable economic growth. Economic growth not only implies profit for investors and entrepreneurs, but also for the local people in whose area the activities are taking place. By making use of concepts such as skills training and development or 'Making Markets Work for the Poor' (M4P) (Swisscontact, 2013), profit can be strived for by all actors. To maintain a competitive advantage of the destination over other market players, market-focused strategies, product management and innovation are crucial elements to take into consideration. Giving long-term incentive for participation and/or cooperation to all stakeholders is also very important to cater for the 'People' side of the Triple Bottom Line.

QAC3.1. Incentive

For a project to be deemed equitable, involvement from all sides of the stakeholder spectrum must be encouraged. Resident and neighbouring communities, local businesses, government authorities, national park authorities, associations, schools and other institutions will all be affected by CBET development. The goal is to make the effect on them as positive as possible, in the long-run, and at the same time give them short-term incentive to participate. Only by involving all stakeholders can the generated profit of the project be beneficial to all of them. To involve stakeholders, it is necessary to create incentive: employment creation and financial benefits, facilitating and upgrading the social environment for livelihood enhancement, social investments... The extent to which this stakeholder involvement is aspired as well as its success is measured by this QAC.

QAC3.2. Product management

Things to take into consideration on the "business" side of the project are capital efficiency, risk management, margin improvement, and any other activities that will result in an equal and fair total shareholder return that can be maintained over an endurable period of time. Are all the approach factors taking into account the nature of the destination product, and are they working on improving this over time? Is the consistency of the product (i.e. destination) quality being ensured in the long term? Is there any regard for workforce skills enhancement, and how well are the funds being managed transparently and efficiently?

QAC3.3. Market Focus

This QAC measures the extent to which the planning and strategic approach activities take into account the needs, expectations and demands of the market. In other words, do the activities keep in mind that the target tourist group is a focused market segment, and do they adjust their activities accordingly? E.g. focused marketing strategies, product innovation with focus on certain markets...

6. Case Study: SC WiSATA & DMO Flores

The goal of the following two chapters is to fulfil the second objective of the paper, by answering the associated research questions (see below, extracted from 2.2 and 2.3) through an analysis of the case study in Flores, Indonesia. This chapter places the CBET development in its spatial context in Flores, and highlights the WiSATA project and the DMO's common mission and strategic approaches to develop Flores Island as a CBET destination.

Research Objective 2:

"To find the extent to which the WiSATA project's DMO in Flores is successfully sustainable regarding its tourism destination management methods and strategies, according to the criteria that were created from the CSFs of CBET."

- **Q: What tourism destination management methods and development strategies are employed by DMO Flores and to what extent are they effective?**
    - o SQ: What are the objectives of this DMO and how does it work towards fulfilling these?
- **Q: How do the methods and strategies of DMO Flores compare to the normative goals and practical CSFs of CBET?**
    - o SQ: How can the methods and activities of DMO Flores be evaluated according to the predetermined qualitative assessment criteria that are based on CBET's normative and practical CSFs?
    - o SQ: What are the Strengths, Weaknesses, Opportunities and Threats to the sustainable success of DMO Flores in fulfilling its long-term goals?

6.1. Introduction to the case study

WiSATA's project in Flores, through which DMO Flores was established, is a complex plan that was formed and is being carried out by a concoction of stakeholders and actors for various purposes, over a long period of time. Before introducing the case study, a contextual background on tourism development in the area must therefore be given.

6.1.1. Tourism in Indonesia

According to the 2013 WEF Travel & Tourism Competitiveness Index (TTCI, See **Appendix 2**), Indonesia climbed from a T&T competitiveness ranking of 74th in 2011 to 70th in 2013, out of 140 assessed countries. In the region, it is a stronger tourism product than known destinations nearby such as the Philippines and Brunei (see Table 3) but it remains surpassed by comparable 'dream destinations' in the area, which include Australia, Malaysia, Thailand and India (WEF, 2013).

Country/Economy	Ranking 2013	Ranking 2011
Singapore	10	10
Australia	11	13
Malaysia	34	35
Thailand	43	41
China	45	39
India	65	68
Indonesia	70	74
Brunei	72	67
Sri Lanka	74	81
Vietnam	80	80
Philippines	82	94
Cambodia	106	109
Nepal	112	112

Table 3: Travel & Tourism Competitiveness Index of destination countries around Indonesia
Source: Adapted from (WEF, 2013)

According to the T&T Competitiveness Report of the World Economic Forum (WEF, 2013), prospects for the Indonesian tourism sector in the future look promising. With over 17,600 islands, more than 350 ethnic groups and a geographical footprint that stretches across 3 time zones and 2 '*ecozones*' that are separated by the Wallace Line (it runs between Bali and Lombok), Indonesia's biggest assets are its natural and cultural resources, hinted at by the national slogan "*Unity in Diversity*". Home to complex societies, the nation boasts ancient monuments, rich cultures, creative industries, culinary discoveries, beautiful nature, and heritage traditions that "equal any leading world tourism destination" (DMO Flores, 2012). Furthermore, it obtains high scores regarding its favourable price levels for tourism services, and for the prioritisation of tourism and travel by the national government (WEF, 2013). However, some weak points, including its underdeveloped infrastructure, unguaranteed safety for tourists, and the lacking environmental sustainability of its economic activities such as those that surround tourism, were also identified by the WEF report (2013).

Indonesia's Tourism Performance Index of 2012 (see **Appendix 3**) supports this conclusion of WEF by means of statistics. By the end of 2012, the Ministry of Tourism and Creative Economy (MTCE) counted 8,044 million foreign tourist arrivals in the country (MTCE, 2013), an increase from the previous year by 5.16%. Furthermore, in line with an expansion of Indonesia's middle class, domestic tourism is on the rise with an increase of 9.31% between 2011 and 2012 (MTCE, 2013). By the end of 2012, Indonesia's booming tourism industry was good for some 3.9% of its GDP and created employment for an estimated 9.28 million people, or 8.37% of the population (MTCE, 2012). After wood and textile, tourism is noted to have become the most important non-oil foreign exchange resource for the country (MTCE, 2012). It is not surprising therefore, that the sector has become one of Indonesia's biggest economic foci, with Bali island alone bringing in some 3 million tourists in the year 2012 (Bali & Indonesia on the Net, 2012).

Having recognised the economic benefits derived from tourism over the last decades, Indonesia's government has actively promoted the development of the industry in 15 destinations across the nation, and is optimistically hoping to receive 9 million foreign tourist arrivals by the end of 2013 (MTCE, 2013).

6.1.2.   Indonesian Tourism Master Plan & Report Study Area

According to A. Lillo (HPI Bali) and WiSATA staff (Internship, 2012-2013), a National Tourism Development Master Plan called 'RIPPARNAS 2010-2025' was released in 2011, thereby highlighting 15 focus regions for DMO development as well as the strategies that will be used to stimulate this development over the coming years (PP. 50-2011: Ripparnas 2010-2025); (State Gazette of Indonesia, 2011). Despite multiple efforts, finding this document seemed impossible for both the author and fellow researchers. However, some information could be obtained about its contents from colleagues in the WiSATA project and from tourism association representatives in Bali.

Of the 15 focus regions, two (*'Komodo – Ruteng'* and *'Moni – Maumere')* are located on the island of Flores, in the East Nusa Tenggara (NTT) province (Figure 6). These two RIPPARNAS focus regions (see Figure 7) form the basis for the case study area of this dissertation, on which the WiSATA project is also focused.

Due to its potential to protect local heritage whilst creating employment and income, tourism can indeed cause a pro-poor impact in economically disadvantaged areas, and especially in a developing country such as Indonesia. This has led its national government to make tourism growth one of their prioritised strategies to develop the country. They believe that by increasing airport carrying capacities and opening up new international air routes, the conditions for the tourism industry to develop by itself have been optimised; following the example of Bali (MTCE, 2012).

Figure 6 (left): Map of East Nusa Tenggara (NTT) Province.
Source: (Lavalon NTT Tourist Information Centre, 2010)

Figure 7 (below): Map of Flores Island and Komodo National Park, marking the 2010-2025 RIPPARNAS focus regions.
Source: adapted from (DMO Flores, 2012)

However, an intrinsic potential for tourism must be found within these regions, and the development strategies must focus on integrating the local population in the industry's value-chains, thereby delivering 'quality products' to 'quality travellers' (Internship, 2012-2013). Only with a long-term vision can durability of the region's natural and social values be ensured, and thereby also its economic worth. Swisscontact works to help the Indonesian government in their realisation of creating value through tourism, for all actors concerned.

6.1.3. Swisscontact WiSATA Project in Flores

The Swiss Foundation of Technical Cooperation (Swisscontact) has more than 40 years of experience in cooperative development work in Indonesia, with specific expertise in private sector development. Since 2004, for example, another Swisscontact project has been implementing local economic development in Flores through value chain development in agricultural sectors.

In June 2006, the Australian Government (through AusAID) entrusted Swisscontact with the implementation of a tourism promotion project (primary phase of WiSATA) in the West Manggarai district of Flores. This primary phase has strengthened local stakeholders in improving the quality of their tourism services, facilities and the promotion of the geographic area of West Flores, around the world heritage site Komodo National Park. Furthermore, the project contributed to an increase in international arrivals by air from 9,233 in 2005 to 23,522 in 2008 (MTCE, 2013).

The positive experiences of the approach motivated Swisscontact Indonesia to carry out a feasibility study when the Australian funding cycle for the tourism development project was complete at the end of 2008. Swisscontact financed a follow-up phase and launched the new WiSATA project, entitled "Regional Tourism Development beyond Bali", in July 2009. Being a new player on the

market, and labelled as 'tourism beyond Bali', Flores is expected to rely foreign tourist markets who combine their visit to Bali with a visit to Flores as their secondary destination- at least in its first stages of destination development.

With their Pro-Poor Market development approach ('Making Markets Work for the Poor', or M4P) (Swisscontact, 2013), Swisscontact hopes to bring the tourism market to the communities in Flores, but also to help them prepare to deal with tourism by enhancing their skills. Under the WiSATA project, the establishment of eight Tourism Management Organisations (TMOs) has been facilitated in all eight districts of Flores, to manage the stakeholders on a local scale from a bottom-up approach, thus motivating their collaboration and thereby improving their competitiveness. Furthermore, DMO Flores was established to unite them under a destination brand 'Flores'. Last but not least, Swisscontact facilitates the development of a sustainable tourism industry on the island, by engaging local communities and entrepreneurs in training programmes and by facilitating network linkages among them and with national and international tourism stakeholders.

Taking into account the relatively unexploited potential for developing tourism in many regions of Indonesia, the WiSATA project in Flores is thought to have high relevance in terms of replication for other destinations of this country. When the results of the first phase of the project were presented, the Ministry of Tourism and Culture recognised the effectiveness of the DMO Flores approach for the future development of tourism in Indonesia, and indicated a strong interest and need for a capacity building component with the objective to enable the Ministry to promote this approach in other locations (Raja (MTCE), 2011).

6.2. Situation & WiSATA Strategic Approaches

The story of the WiSATA project has now been briefly introduced. But how can the regional CBET development project be measured by the criteria of PPP? This sub-chapter zooms in on the current situation of the island's tourism elements and internal stakeholders, after which the main WiSATA Strategic Approaches to sustainable destination development are introduced.

6.2.1. Basic Elements of Destination Flores: a summary

The WiSATA project builds on certain basic elements of this destination, through DMO Flores and through its own activities that are carried out by SC WiSATA field officers. By highlighting the importance of these basic elements through various activities, SC WiSATA stimulates local communities and levels of government to recognise them too. The following paragraphs summarise of Flores's basic elements showcases the current situation of the island and the potential it holds.

Having a variety of "beautiful, unique and rare" unique selling point (USP) tourist attractions (DMO Flores, 2012), Flores must work on preserving these. Komodo Dragons, for example, are endemic to the islands of Komodo National Park (TNKo) in West Flores. Splendid diving sites and green rainforests with birds of paradise, trekking sites and natural hot springs can be found around and throughout the island. Adventurous treks include highlights such as Mount Kelimutu, with three crater lakes that change colour, and cultural villages that have been classified as UNESCO World Heritage. Furthermore, rich marine life surrounds the island and makes it a diving hot spot. With its scattered combination of culture, nature, and adventure, Flores holds great promises to seekers of uniqueness, and for those who wish to tread on the unbeaten track (DMO Flores, 2012).

Although when it comes to amenities and accessibility, Flores is quite basic outside of its tourist capital city Labuan Bajo. Public transport and road infrastructure are especially in bad state. Flores is accessible by boat in the main ports of Labuan Bajo and Maumere, or by commercial flights in the biggest towns across the island; though the carriers and airports have not all been IATA-approved. The road infrastructure could also do with improvements, as there is only one main road (Trans-

Flores Highway) that connects the Westernmost and Easternmost towns of the island, which is under provincial (NTT) government jurisdiction.

Flores is not (yet) well-known as a destination, though Komodo National Park (TNKo) is world-famous. DMO Flores is working on its marketing activities, and with help from the SC WiSATA project team a very decent website has been placed online: www.florestourism.com. The website promotes Flores as an adventurous paradise for seekers of natural and cultural authenticity.

6.2.2. Stakeholders

Not only the attractions and amenities have an influence on a destination's potential and performance. A crucial factor, which directly influences all tourism activity, is the presence (or absence) of internal stakeholder groups, and their level of involvement in all stages and processes of developing CBET. Tourism destination stakeholders include various levels of government, public and private service providers, financial institutions, local communities and/or residents, as well as associations. These stakeholders can be divided into four sector groups: '*non-profit sector*', '*private sector*', '*government*', and '*informal networks*'. These four groups revolve around three destination components, namely *attractions*, *services*, and *tourism market*, as represented in Figure 8.
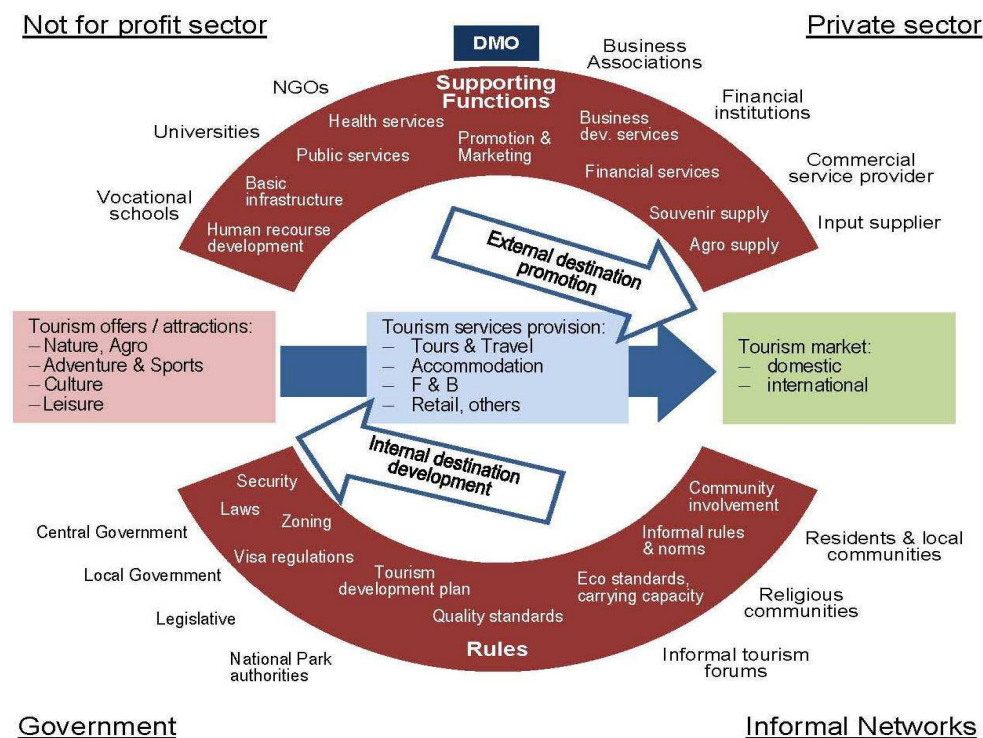
Figure 8: Internal stakeholders of a tourism destination. Source: (Internship, 2012-2013)

The sector groups 'Government' and 'Informal Networks' comprise players that support the tourism destination by providing amenities such as public infrastructure and services such as electricity, solid waste management, etc. They also set rules, strategies and standards, and involve communities to enforce these plans, thereby supporting the destination's internal development. The two other groups, namely 'Non-profit sector' and 'Private sector', have a supporting function that enables the development of the destination's attractions, human resources and offered services. It is up to all four stakeholder groups to work together in such a way that the destination develops its basic elements to offer decent services and facilities around its attractions, and that it promotes these to the target markets. Therefore, involving all stakeholders from the start is crucial to a CBET project.

6.2.3. Methods & Activities

The WiSATA activities can be divided into three main categories of sustainable tourism development approaches. Figure 9: WiSATA Project Logic. Source: highlights how these three pillars - which are similar to UNWTO's tripod of core activities to develop a new destination (UNWTO, 2007) - can support poverty reduction in Flores.
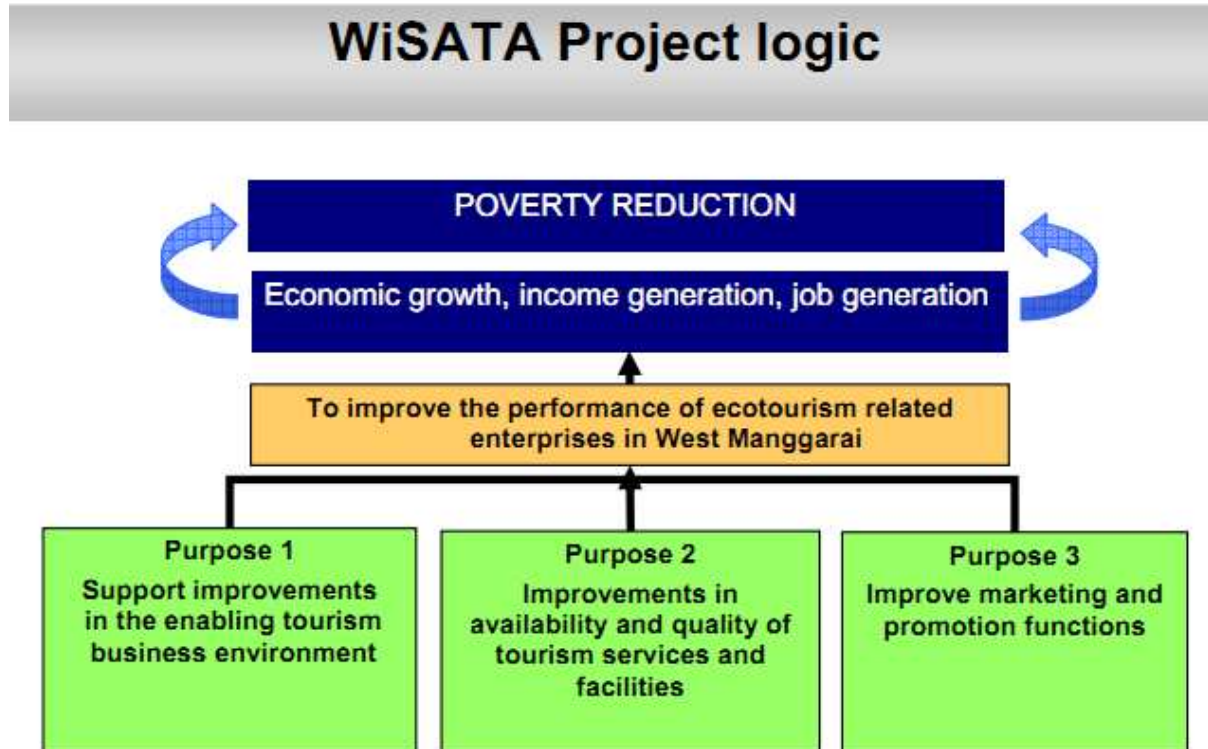
Figure 9: WiSATA Project Logic. Source: (SECO, 2009)

The three pillars are assessed as:

- **Purpose 1: Destination Management**: Networking and Linkages (DMO)
- **Purpose 2: Internal Destination Development**: Quality Management and Trainings (IDD)
- **Purpose 3: External Destination Marketing**: Branding and Promoting (EDM)

Furthermore, a **Destination Planning** phase of the project, which precedes these strategic approaches, is also assessed beforehand.

This report measures the WiSATA project's level of sustainability by qualitatively evaluating to which extent the planning and purposeful activities meet the CSF-based Qualitative Assessment Criteria (QAC) of the Triple Bottom Line, as they were defined in subchapter 5.3. What follows in the next chapter is a descriptive analysis and a critical qualitative evaluation of these activities.

7. Descriptive Analysis & Qualitative Assessment

Now that situational sketches of the destination, the CBET development project and its stakeholders have been given, we can measure to what extent this project really is sustainable, from a normative approach perspective. In order to do so, this chapter elaborates on the planning and strategic approaches that were observed/ picked up during the primary research phase. Therefore all the information in this chapter is based on primary research findings.

The activities are brought forward in groups of their relevant WiSATA approach strategies:

- **Destination Planning:** Needs assessment, mission statement & formulation of objectives
- **Destination Management**: the DMO approach
- **Internal Destination Development** (**IDD**): Quality Management and Trainings
- **External Destination Marketing** (**EDM**): Branding and Promoting

As these approach factors are descriptively discussed throughout this chapter, they are qualitatively evaluated and given quantitative (numeric) points. The results can be found in *Table 8: Qualitative Assessment Matrix of WiSATA sustainable destination development performance results*.

7.1. SAF 1 - Destination Planning & Monitoring

When preparing to establish a tourism destination, some proper planning and preparation must happen before activities are conducted. The WiSATA project has employed an effective process for pre-assessing destination Flores for tourism development. Afterwards, an in-depth action research was made together with local stakeholder working groups, including the set-up of an activity plan. Also, a programme monitoring scheme ensures that the entire implementation process runs smoothly and works towards milestones throughout the allocated time. To summarise, the main activities that are assessed in 'destination planning' by this report are:

- Assessments: pre-assessment & in-depth assessment
- Action Research & Activity Plan
- Programme Evaluation/ Monitoring

7.1.1.   Activity 1.1: Assessments

The WiSATA team has carried out two main assessments at the beginning of the project, namely a pre-assessment and an in-depth feasibility study. Furthermore, the team continuously makes new assessments prior to implementing new activities.

The initial pre-assessment was the first of two assessments that WiSATA has conducted prior to implementing any development activities. Giving a quick insight into the destination's tourism sector, and aiming to provide a general overview of its potential for development success, both its internal level of organisation and its external influencing factors (market and competition) were considered during this process. Although its methods are similar to the in-depth feasibility study that followed, it is shorter and less detailed. As part of this assessment, a field study involved focus groups (communities, tourism authority representatives, association representatives...) for a SWOT analysis, and an external tour operator survey looked at the 'business side' to deem whether a market could be created for Flores. These focus groups served a double purpose, as they laid the foundations for building internal and external stakeholder networks that the project could work with for the rest of the development process, as well as ensuring that the needs of all engaged stakeholders would be accounted for.

A detailed feasibility assessment considered the development options and contextual conditions, such as the opportunities of the destination and its unique selling points (USPs); thereby evaluating the economic viability of developing the island as a tourism destination, for everyone that would be

affected by it. This went much beyond what the pre-assessment accomplished in evaluating the needs and values of local, regional, national and international stakeholders. A needs assessment included an analysis of the values, traditions and cultural heritage, which have been incorporated into the development goals for specific communities and regions. Furthermore, the environmental integrity of the project activities was also considered, as environmental institutions such as National Parks and Waste Reduction activists were also involved.

7.1.2. Activity 1.2: Action Research

The in-depth assessment transcended into an action research, whereby the island's tourism assets and its markets were scrutinised to see where Flores ranked among similar destinations, so that this knowledge determine the starting point and where the project wished to go from there. A destination sector report was formulated, on which the design of the future project for DMO development could be based.

The action research provided a detailed and holistic overview of influencing factors from the assessment, both within the destination and outside. A dual assessment in the form of destination research (internal assessment) and market research (external assessment) was carried out (see Figure 10).
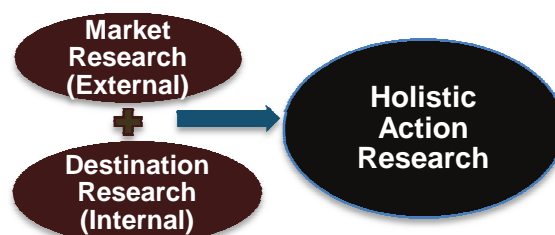
Figure 10: Components of a holistic action research
Source: (Internship, 2012-2013)

Destination Research

Under 'Destination research', WiSATA internally assessed the tourism sector's resources in the destination, and looked into its potential for how new ones could be developed. The team examined all the basic elements (e.g. how the relationships and developments between the basic elements can influence the feasibility of the destination) and internal stakeholders to find every possible factor that could attract or defer visitors, thereby unveiling the destination's full potential for success, as well as its working points. Some aspects that were held in regard included visitor appeal, accessibility, local stakeholder involvement, networks, regulations and restrictions, as well as social, economic, environmental, juridical, technical, financial and organisational impacts. A framework was used to guide the team in their destination research, criteria of which include elements of the potential for Flores tourism as well as considerations for community involvement and sustainability. Some criteria for this framework are listed in **Appendix 4**: 'WiSATA Destination Research'.

Another important aspect of the internal assessment was to find the quality level of tourism products and services that are provided by local businesses, with the goal of defining what strategies could be employed to develop these. Some businesses in the destination were analysed for this purpose. A (non-exhaustive) list of these can also be found in **Appendix 4**. Also under this Appendix, find the highlights of a Flores SWOT analysis, also part of the feasibility study.

Amongst other things, the in-depth assessment looked at how these tourism assets could be made accessible to visitors without intruding upon local communities and without destroying natural habitats. More difficult to anticipate were the political and social situations of the large and diverse island. Later, during the course of developing Flores, it was found that the island has to deal with jealousy between its 8 districts, and that local politics tended to work against the establishment of the DMO sometimes. If the internal assessment had looked more into this aspect; this 'surprise' might have been anticipated and overcome earlier. Having provided an insight into the actual situation of Flores, the internal assessment was also useful to compare Flores with competitors during the market research that followed.

Market Research

Also known as the 'external assessment', WiSATA used this tool to track changes in Flores's tourism markets, allowing for the anticipation of trends and thereby supporting sustainable development of tourism assets and tourism marketing for the destination. The goal of the market research is to understand the destination's target markets and to check out the competition, with regard for external stakeholders. The action research and a sector report helped to formulate objectives, aiming to develop Flores as a cultural, adventurous ('off the beaten track') eco-destination.

7.1.3. Activity 1.3: Monitoring & programme evaluation

As mentioned earlier, the project implementation phase (development, management and marketing) is marked by monitoring and evaluations, such as impact measurement and reporting for donors, stakeholders, media... These mechanisms ensure that the project's activities do not wander from the goals that are derived from the action research. Therefore, the monitoring and evaluation of the programme is done by comparing annual sector reports with the major project goals, i.e. with the target achievements of DMO Flores (Internship, 2012-2013):

Socio cultural target achievements:
- Alleviate cultural gap amongst the community
- Eradicate community conflict
- Preservation of cultural heritage
- Implementing community benefit programme
- Improving healthcare, sanitation & security program, including infrastructure development
- Creating mechanisms & formulating policies to preserve local genuine
- Create conservation program for historical sites
- Employing cultural values in tourism activities

Environment target achievements:
- Green tourism award (certification) from national/international institution/government
- Implementation of pro-green strategy
- Upholding load bearing capacity/environment carrying capacity
- Implementing zoning regulations
- Implementing visitor management
- Abide by local/regional/national special arrangements
- Implementing waste management
- Implementing environmental conservation principles, monitoring program & impact assessment

Economic target achievements:
- Increasing number of visitors, length of stay & expenditure
- Increasing number of tourism businesses
- Increasing number of job opportunities for local community
- Increasing income of local community
- Increasing income of local government
- Tourist satisfaction

Quality Management target achievements:
- Applying good tourism governance
- Applying financial sustainability
- Economic, aesthetic, ethic balancing
- Applying managerial, systematic and linkage principles in tourism value chain
- Applying entrepreneurship, innovation and communication and information technology

The project's goals aim to stimulate a perfect case scenario of:
- Community Empowerment & welfare through participation
- Preservation of natural & cultural environments through community-based and eco-products
- Increasing number of tourists (to a certain extent)

Basically, these determinants offer a perfect case scenario for the project in the way it hopes to achieve a difference in the region. The perfect case scenario explains high numeric values given to this activity in the sustainability fields of people, planet and profit:

To assess this strategic approach on *profit*, WiSATA's planning for creation of incentive for participation in the planning phase was considered as very good. There was a tendency to plan for market- oriented product management, with respect for local values, and the markets were well analysed in the planning phase. Stakeholders understood the incentive to collaborate, and they were given the perfect opportunity to have their input and to be a part of it.

This also played in on the score for people, where the level of community involvement was excellent, although it appeared later in the project that the jealousy between districts had not been anticipated properly, neither had the difficulties for collaboration with local governments. However, the response to local needs could not have been better, where the project found out about certain communities that they wanted to go back to the roots with the commercialisation of their traditional

products (e.g. organic ikat). The cultural heritage of Flores is always held in high regard by the project, with a continuous aim to highlight cultural heritage as one of the spearheads.

Last but not least, environmental justice was also respected by the project planning. Not much weight was placed on the environmental conservation, though in the action research more considerations for environmental protection were made by talking with institutions & authorities such as those of National Parks in Komodo and Kelimutu.

7.2. SAF 2 - DMO: Destination Management Organisation

Destination management can be defined as the management of all the elements that form a tourism destination, with the goal of creating a manageable and sustainable flow of tourists to generate benefits for local communities whilst minimising the negative impacts that it may have on them (Internship, 2012-2013).

As an increasing number of destinations enter the global competition through innovative ideas and developments, the tourism industry is in a 'state of transition' (Hall, 2004). This means that, other than simply being an external destination marketing (EDM) organisation, DMOs must also fulfil their role as internal destination developers (IDD) to act as catalysts and facilitators for tourism development. For this purpose, a DMO aims to coordinate all tourism stakeholder actions with the goal of creating and maintaining a cohesive and sustainable working structure. Its goal is to improve the conditions for a sustainable tourism industry; thereby representing the interests of its members in all of its actions.

DMO Flores was officially established on August 3, 2011 in Ende. It is an official Community Organisation - registered by letter No. 220/63/BKBPPM/21/2011 by National Unity, Politics and Community Protection, NTT Province (Internship, 2012-2013).

The WiSATA approach strives for all stakeholders to agree on the general conditions of managing the destination Flores, and on their level of commitment and involvement in this. Through the establishment and running of a DMO, WiSATA has empowered local and regional actors across the island to manage tourism development in their own region. In this way, when WiSATA terminates, local actors will have acquired the necessary skills to take over this work in a sustainable manner.

The DMO approach can be evaluated through 3 activities:

- Decentralisation: DMO/TMO
- Creating/Establishing the DMO
- Business plan of the DMO: viability

The two main DMO activities (IDD and EDM) are assessed in this report as separate strategic approaches (SAF3 & SAF4) of the WiSATA project.

7.2.1. Activity 2.1: Decentralisation

Too big a destination, and not accessible enough for one DMO to handle all activities by itself, Flores island has been divided into 8 "sub-destinations" according to the political districts, each with their own tourism management organisation (TMO) acting as a local DMO for the district and handling internal destination development (IDD) there. These 8 TMOs combine their strength into a more expansive and linked Flores DMO network.

Every TMO in Flores operates its own internal destination development (IDD) programme, while the DMO takes regional and global networking, as well as external destination marketing (EDM) for its main task, including website maintenance and representation towards external stakeholders in events such as tourism trade fairs. As a result, the power of the DMO is decentralised; its presidium comprising the eight TMO heads that meet twice annually. WiSATA has facilitated the stakeholders in every district of Flores to establish a TMO, followed by the establishment of a centrally located

DMO in Ende to unite them and to coordinate their activities. The stakeholders can interact with the DMO through their local TMO, either directly or through their representative association.

1 Regional DMO Flores (based in Ende)	←→	**8 Local TMOs** (based in Manggarai Barat, Manggarai, Manggarai Timur, Ngada, Nagekeo, Ende, Sikka, Flores Timur)
- coordinates the TMOs in each district - strengthens the capacity of TMOs - provides support to individual TMOs - facilitates individual TMOs' Action Plans - encourages Work Plan Implementation - monitors TMO-evaluation Programs		- facilitates the management and tourism development of their district - Increases the capability and quality of tourism services in the district - lobbies district government and thereby contributes to development and regulation of tourism - improves human resources and understanding of tourism from the public, and enhances public ownership of resources and tourism resources in the vicinity - facilitates the development of businesses and tourism products - collects data that support DMO Flores's tourism promotion

Table 4: comparison DMO/TMO
Source: Author's interpretation (Internship, 2012-2013)

The programme implementation roles of the DMO and those of district TMOs are interrelated for both EDM and IDD, as demonstrated in Table 4 above and Table 5 below. In the latter, the red arrow indicates that communication takes place between the umbrella organisation (DMO) that works at macro-scale and the more localised association representative bodies (TMOs) that work on district scale. In the middle row are some of the activities for which the DMO and TMOs cooperate directly with each other on operational level.

Table 5: Programme Implementation Roles DMO/TMO
Source: Author's interpretation (Internship, 2012-2013)

ORGANISATION	EXTERNAL DESTINATION MARKETING (EDM)	INTERNAL DESTINATION DEVELOPMENT (IDD)

DMO	• Branding
	• Destination web-marketing
	• Sales blitzes, Trade shows, Fam. Trips/ Tours
	• B to B Linkages
	• Public Relations & Communications
		• Recommendations for harmonisation on conducive business environment
		  - Nature & culture resource management
		  - Quality assurance
		  - Master planning for tourism
		• Market research for Product development
		• Recommendations for standards & risk mgmt
		• Coordination HRD, Service providers
		• Take lead in master plan development

	• Customer Relation Mgmt • Advertising • Publication + brochures	• Stakeholder coordination • Information Management
TMO	• Contribution to Webpage • Promote destination brand • Events and festivals	• HRD & Quality assurance for Businesses • Lobbying for conducive business environment • Nature & culture resource management • Master planning for tourism • Product development • Local data collection • Quality assurance, compliance on standards • Establish regulation on Risk management

TMOs are thus stakeholder organisations that have the role of performing DMO activities on a more local level in this vast destination. Such activities include networking, lobbying and destination development in every district. All TMOs are united under the Flores DMO, which handles mostly

macro-management, coordination and external marketing activities. Although they are different entities, the TMOs work closely together with the DMO, functioning as one body with many 'arms'.

In terms of their sustainability, one could argue that in the people section, this is an excellent approach to involve stakeholders, listen to their needs, and provide them with incentive to do something that can benefit the communities. Profit-wise, the QACs product and market receive top scores for this as the decentralisation allows each entity to focus on their relevant factors for developing the destination successfully. The DMO/TMO structure provides incentive for local stakeholders in the long-term, as it promotes their region, provides them with clientele, and enhances their skills. Regarding planet, the scores are considerably lower, as the activity focus of the DMO does not seem as eco-oriented as the normative goals of CBET would be. However, attention is given to nature resource management, regulations, and waste reduction.

7.2.2. Activity 2.2: Establishment

It has already been mentioned to what extent the WiSATA project highlights the importance of tourism stakeholders. Their bottom-up approach encourages stakeholders to engage themselves from the start, i.e. in establishing the DMO. Those who are involved from the start will in later stages become highly-valued members, with leading functions in the organisational structure. Since they help to build up the mission and goals, they have a profound understanding of the purpose of the organisation and its networks.

But who are the stakeholders of the WiSATA project and to what extent are they involved in the establishment of DMO Flores and/or its derivative TMOs? In this report, this question is answered through use of the stakeholder salience model (Mitchell, Agle, & Wood, 1997).

Stakeholders and Stakeholder Salience

'A stakeholder in an organisation is (by definition) any group or individual who can affect or is affected by the achievement of the organization's objectives' - (Freeman, 1984, p. 46)*.*

This report looks at the role and influence of each destination stakeholder in the DMO's destination development approach, through the stakeholder salience model by (Mitchell, Agle, & Wood, 1997).
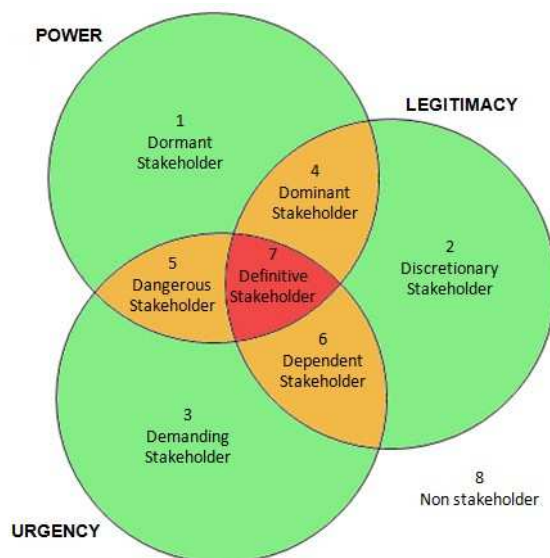
Figure 11: Colour Representation of the Stakeholder Salience model. Source: (Morphy, 2013)

There are 8 categories of stakeholder clustering by salience, namely Dormant, Discretionary, Demanding, Dominant, Dangerous, Dependent, Definitive, and Non Stakeholder (see Figure 11: Colour Representation of the Stakeholder Salience model. Source: .

The actors in Flores are discussed below, clustered according to the salience of their role in sustainable development of Flores:

1. Dormant Stakeholders

This low-salience group contains stakeholders who have a certain degree of power and influence in the development of destination Flores, but they have no sense of urgency or legitimacy to make a commitment. The Flores branches of **professional associations** such as **ASITA, HPI,** and **PHRI** can be categorised under this label. Furthermore, they were assessed by the author and colleague A. Torin as rather passive in their

organisational activities. Being the umbrella associations of tourism businesses, they leave the networking and lobbying responsibility (which would normally fall under their jurisdiction) to firms for themselves.

2. Discretionary Stakeholders

These low-salience stakeholders have legitimacy of some sort, but are powerless to make a change by themselves in terms of developing Flores as a destination. We hereby think of environmental awareness groups such as the **PlasticMan Institute** in the tourism town Labuan Bajo ('gateway to Komodo'), or authorities such as the **Komodo and Kelimutu National Parks**, who remain in the background when it comes down to being pro-active for the DMO. For this reason, the establishment of this DMO structure scores low on the *Planet* criteria.

3. Demanding Stakeholders

With a sense of urgency for change, but no power or legitimacy, the stakeholders in this low-salience cluster are hoping for change so that their business and/or livelihood can improve. Hereby we refer to **local residents, farmers, communities** and **private tourism enterprises** that are in need of skills training and market access. Also **tourists** can fall under this topic, indirectly. Although they are not directly involved in the destination development process, tourist arrivals are the fuel to keep the destination development engine running. Since this group of stakeholders constitute the market's supply, demand and surrounding environment (or 'marketplace'), they have highest need for this DMO structure. Helping them to network, this structure is a direct response to their needs and it is therefore well-appreciated. Although resident communities may not have any direct interest in the tourism activities, they will be (in) directly affected by its impacts, and therefore they are demanders of regulations, policies and activities that protect/maintain their societal structure and enable them to benefit from these developments, rather than suffer. Having the highest interests at stake, community representatives and private tourism businesses are therefore the most heavily engaged in the DMO/TMO establishment activities. In certain districts with relatively (to the rest of Flores) underdeveloped tourism markets, this poses a problem since the MSMEs there (such as, for example, locals who live close to a Waterfall and may guide tourists there for a small, non-fixed fee) do not have a long-term vision on their business strategies for these economic activities. Without a long-term vision, these MSMEs see no immediate benefits to participating in the establishment of the DMO structure, and those stakeholders who are actively involved in the establishment of this organisation begin to wonder why they are working for the common good of everyone, even those who do not participate. Long-term business incentive is therefore low.

4. Dominant Stakeholders

These medium-salience level stakeholders have both power and legitimacy to make an effective contribution toward developing Flores as a tourism destination, but they have no sense of urgency to do so. The national, provincial and district (Indonesian + NTT + 8 districts) governments of the region could be argued as being dominant, due to bureaucratic procedures and inefficient working policies that heavily impact the time frame of the establishment process. Although the national government has made tourism a national economic priority, not many efforts is being made on Flores level, beside the expansion of Labuan Bajo airport.

5. Dangerous Stakeholders

Dangerous stakeholders have a certain degree of power and a sense of urgency on how the island of Flores will develop its tourism industry. International travel and tourism agencies, as well as airlines have these medium-salience characteristics. They can be regarded as dangerous because if their terms are not met, they can simply go elsewhere and the destination risks losing its market share. Mining corporations too have a lot of power and influence, as well as the urgency to acquire the mineral-rich land for other purposes than tourism. They are the reasons why DMO activities include

lobbying for beneficial tourism policies. Furthermore, competitor destinations have the desire and the power to lure tourists away from Flores, toward themselves. They have therefore been classified as dangerous, although they could also be considered in the 'non-stakeholders' group.

6. Dependent Stakeholders

These medium-salience stakeholders have a sense of urgency and legitimacy in developing the Flores tourism industry, yet they do not have (much) power to do so. In this category we can place the SMKs (vocational schools) as well as other educational institutions, and the more active community representatives and cooperatives, who attend stakeholder meetings and have the will and therefore the potential to influence their community to engage themselves.

7. Definitive Stakeholders

Definitive stakeholders in this project are those who correspond to having all three characteristics of stakeholder salience, and they are therefore the most salient of all in this activity- being involved in (almost) every process. The Swisscontact WiSATA project and its field officers have a sense of project urgency, ethical and legal legitimacy, as well as financial power and know-how to do so. The new DMO board and team have these attributes too, also representing stakeholders from other clusters.

8. Non-stakeholders

These are actors who have no interest, power, legitimacy or urgency in developing Flores as a CBET destination. Communities who were found to have no interest in joining the project or opening up their tourism chances are also part of this stakeholder category. It was found that they are happy with how life is for them, and they would not necessarily feel beneficially affected through tourism and commercialisation of their environment.

Bottom-up approach:

Since stakeholders are so crucial to the sustainable functionality of the DMO, these were brought together, to legally and operationally establish organisational entities known as TMOs. Since the DMO is the umbrella entity for district TMOs, these were established first, assuring a bottom-up approach. During the creation of TMOs, the government, community and accordingly local stakeholders created a common vision concerning Flores tourism and its development. Government support was strived for in each district and on every level, with funding, legal and networking purposes in mind.

Stakeholders who attended these first workshops included community representatives, religious leaders and professionals from every department that relates to tourism, such as hotels, restaurants, dive operators, tour operators, travel agents and vocational schools (SMKs). Many stakeholders actively came up with further ideas about TMO development in their district. Through these workshop activities, stakeholders learned to work as a team, and incentive for volunteering on the board of the DMO structure was built up

Possibly due to delays in legal declarations of the TMOs and DMO, the involvement of certain government entities and district tourism associations was not supported enough in some districts. As a result, certain TMOs have become parallel working structures to existing institutions, which have begun to see them as competing entities, rather than supporting. This is translated by a lower score for this activity in general. The author explicitly wishes to express that the project was not to blame for this; rather the bureaucratic legality steps that the process had to pass before it could be pushed through.

7.2.3. Activity 2.3: Business Plan

Whether stakeholders are directly or indirectly involved in WiSATA's Management, Marketing and Development Goals, all must be accounted for. The WiSATA project therefore attempts to integrate

all actors from a bottom-up approach through stakeholder collaboration models and network linkages. Figure 12: DMO/TMO stakeholder interaction below gives an overview of the interactions between DMO, TMO, government and other stakeholders. The DMO can be seen as an interaction agreement between stakeholders (businesses, communities, tourists...) and provincial government, whilst the TMO looks after the interaction between the stakeholders and local government.
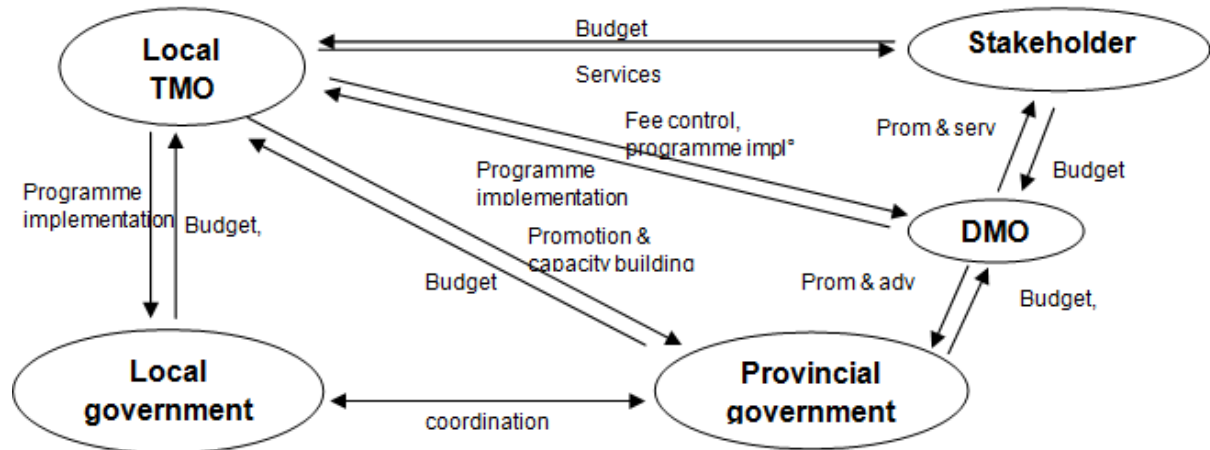
Figure 12: DMO/TMO stakeholder interaction
Source: Author's interpretation (Internship, 2012-2013)

The business plan of DMO Flores is structured as a management reference on how the organisation will work towards fulfilling its goals in a viable manner. It is designed for a period of three years and considers sources and methods of funding.

TMOs connect with other stakeholders to actualise their business plans through business collaboration models. These represent interactions with the purpose of finding opportunities to:

- Fulfil goals of the DMO, TMOs and their stakeholders
- Generate income for TMOs
- Acquire new members for TMOs
- Involve all members and provide benefits for them

Since the collaboration model and the business plan are so closely interrelated, business models are dependent on the context of implied activities. Three examples of business models employed by DMO Flores and TMOs follow:
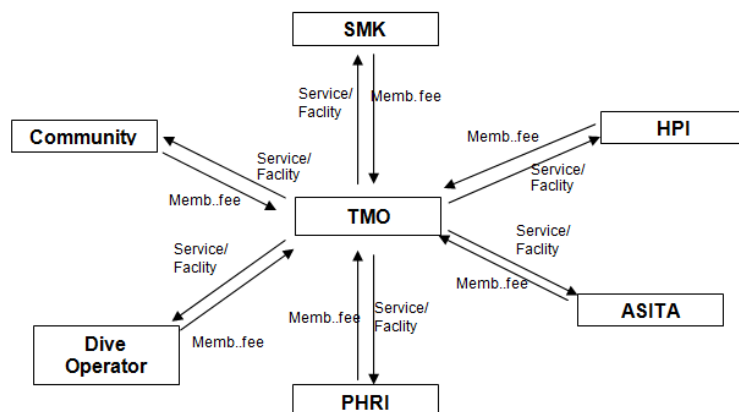
Business Model 1 (Figure 13): the local DMO (i.e. TMO) provides services and/or facilities to the stakeholders. In return, these pay a monthly/yearly membership fee to the TMO.

Figure 13 (left): Business Model 1
Source: Author's interpretation of (Internship, 2012-2013)

Under **business model 2** (Figure 14), the TMO receives a (yearly) budget from the district government, which it uses to provide services and facilitation to local stakeholders, i.e. indirectly back to the government. It can be seen how the TMO interacts with the government and with the associations in order to benefit the local community.

**Figure 14 (right): Business Model 2
Source: Author's interpretation of
(Internship, 2012-2013)**
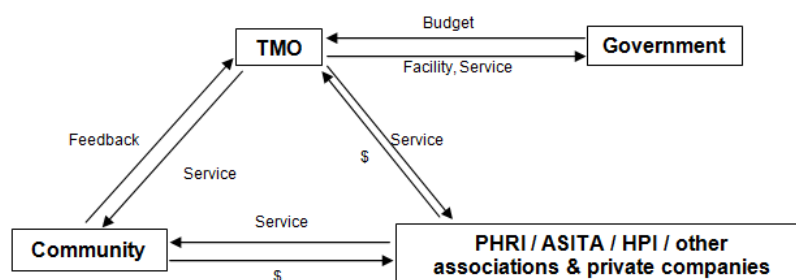
Last, but not least, **business model 3** (Figure 15) represents the TMO facilitating network linkages between SMKs (vocational schools) and service providers such as private businesses, to encourage trainings and to simultaneously enable job creation (this is explained in IDD).

**Figure 15: Business Model 3
Source: Author's interpretation of (Internship, 2012-2013)**
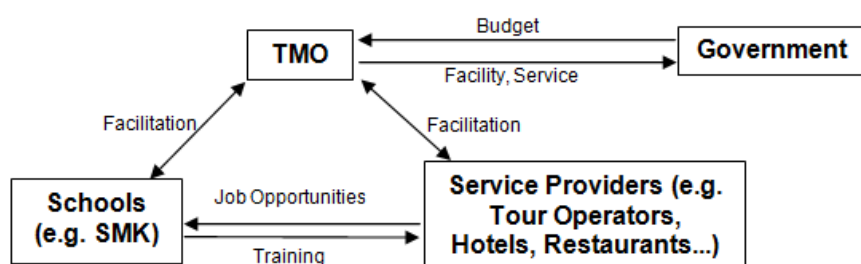
Since a long-term business plan for DMO Flores did not have immediate benefits for its stakeholders, certain district actors were reluctant to invest time and/or money in the beginning. For this reason, TMOs created short-term incentives for stakeholders to become members, such as TICs (tourism information centres) to provide all visitors in the district with information about the area and tourism products/services. As a promotion channel, the TMO provided businesses with a direct incentive to participate. Leaving out membership fees for the first couple of months of the TMO existence is another short-term initiative applied by some districts. Short-term income generators to replace these fees were instated by these districts, such as a kayak rental at the TMO office in Nagekeo district, or horse riding by TMO Manggarai Timur.

Since the DMO business plan must derive from the goals and strategies that were written down in the statutes of the organisation, DMO Flores has based its business plan on success criteria such as self-support, stakeholder cooperation, competence of team, increased tourist and partner satisfaction and numbers, and an increase in visitor numbers, length of stay and tourist spending. Based on those success criteria, Flores DMO provides the products and services such as tourist information, publications, trade products, market research, consultation, and PR.

Promotion, Pricing, and distribution for these products and services were well-considered and accounted for, marked by high scores in the assessment on *profit* and, to a lesser extent, *people*. Yet the activity did not receive top scores on the latter CSF, considering that local network opinions in Flores were not always considered for product choice; but rather international experts' opinions on what would suit the markets most. Once again, the focus is more on *people* and *profit*, at the cost of QACs on CSF planet. Besides, although some products were made from recycled materials and the processes to produce them were made as sustainable as possible (Internship, 2012-2013), one can hardly argue that the business aspect of this organisation is very beneficial to the environment.

7.3. SAF 3 - Internal Destination Development (IDD)

There is a general misconception surrounding tourism object development; at least from the modern perspective where sustainability is concerned. With "tourism development", as with

"tourism object development", often only the physical aspect of development is regarded by tourism authorities and institutions; rather than also the hope of achieving minimum negative impacts. This misconception has led to numerous "tourism developments" worldwide degrading the surroundings of their tourism objects rather than supporting them (e.g. cement footpaths, railings and paved roads in natural environments). Whilst these developments make the area more accessible for tourists, at the same time they also bring harm to the environment by reducing the quality of nature. Flores is, after all, advertising itself as an authentic destination for adventure-seekers.

Community-based attractions are the main focus of the DMO's IDD activities and support, as they encourage the participation of local communities in a sustainable project that can have long-term benefits for both the community and the industry. CBT objects are managed by local communities, whose culture and everyday lives thereby often become an integral part of CB-attractions, and tourists' experiences.

Only cultural and natural tourist attractions that have been assessed in line with the pre-created assessment tools are developed. In this manner, IDD has the potential to create value chains, employment and income opportunities for locals, whilst conserving and/or developing the basic elements and their surrounding industries. The WiSATA approach aims for internal destination development through object development with community involvement, quality management for businesses and guides, regulatory measures to restrict impacts of tourism on the environment, and awareness creation on safety and health.

The development guidelines for destination Flores therefore aim to create a long-term sustainable attraction in terms of attractiveness, uniqueness, authenticity, safety, environmental and socio-cultural awareness (Sustainable Tourism Online, 2010). The sustainable management principles of WiSATA organise the basic elements to make them safe and quality-oriented for visitors and hosts.

DMO & TMOs as Destination Developer

The principle of tourism development focuses on increasing the value of the benefits from tourism resources, maintaining and preserving the natural environment, preserving cultural diversity and the integrity of society, empowering local communities, strengthening integration between districts, central and local government and stakeholders, and enhancing the competitiveness of a tourism destination. The corporate governance arrangement of DMO Flores includes functions to build community identity, represent, plan, implement and coordinate the organisation in an innovative and systemic way through use of networking, information and technology. This is integrated with the roles of the community, associations, industry, academia and government.

A tool and result of WiSATA, TMOs work as facilitators and as service providers (see 7.2.3). This means that they provide services to tourism stakeholders who stimulate private enterprises to increase their quality and revenues. After such activities, TMO stakeholders are encouraged to share their newly acquired skills and knowledge with the communities who live within their jurisdiction; thereby creating a self-sustaining multiplier effect of knowledge and skills progression in the area. This immediately responds to the needs of local communities, lifting the score for the people factor of this report's assessment.

The main tasks of DMO Flores and the local TMOs are the following:

- to support the development of (local) government plans in all tourism aspects;
- to involve local communities in the tourism sector;
- to support the (local) tourism industry to offer appropriate services and facilities;
- to support product development through TOT (training of trainers) and other activities;
- to ensure stakeholder cohesiveness;
- to lobby government regulations and actions that benefit communities and the T-industry

Since the point is not to re-invent the wheel, existing strategies must be strengthened: in Flores it is horticulture and handicraft industries which are being developed and orientated towards tourism, if this is what communities are looking for.

To engage in IDD, the WiSATA project takes a three-step approach:

➢ Establishing partnerships
➢ Capacity building & Joint Activities
➢ Market Linkages

The above steps are assessed in this chapter by focusing on case studies, which explain the general WiSATA approach of IDD. Although it cannot be replicated 100% to the other activities, it gives a good indication of how sustainably the project works.

7.3.1. Activity 3.1: Partnerships & Joint Activities

SC WiSATA established partnerships with governments, communities and private stakeholders to create awareness around the issues concerning ecologic impacts of tourism, mobilising waste reduction campaigns and the upkeep of eco trails.

Swisscontact WiSATA and one of its local partners, Sanggar Bliran Sina (an ikat-weaving association in Watublapi village near Maumere), have agreed to work in partnership (with a MoU) towards Flores Handicraft Development, whereby Swisscontact supports Sanggar Bliran Sina to be the Service Provider for local handicraft producers. Through various visits, the project team and the key village representatives shared ideas and values on tourism (e.g. benefits, dangers, and future potential). The villagers were invited on a field trip to other destinations in Flores; so that they could witness similar activities as those they provide, from the perspective of tourists. Once convinced, the association leaders were mobilised to organise joint activities. Furthermore, the district tourism authority (Dinas Pariwisata) became involved; and eventually the villages adopted a Swisscontact approach as their own, utilising suggested focus points, criteria, and thinking concepts, alongside their own ideas. The WiSATA team thereby became an official consultant for CBET villages such as Watublapi, but also for other tourism and hospitality MSMEs, such as home stays, warungs (local restaurants), guides, tour operators and so on throughout the region.

7.3.2. Activity 3.2: Capacity Building

Following the example in 7.3.1, capacity building has strengthened Sanggar Bliran Sina as a Service Provider. More specifically, informative sessions, brainstorming events and thoughts assistance are also provided to stimulate further thinking about the sustainability of these products (e.g. organic dying) and about generated incomes. Examples of joint activities so far have included: Organisation Management Workshop in Kupang, Business development with Mitra Bali, Financial Management and Business Plan... Furthermore, together with SC Wisata, Sanggar Bliran Sina is now expected to strengthen and improve the capacity of the other local handicraft producers in Flores, through Organisational Management and consultation on handicraft business, Product development and information about markets, and other technical support for other local producers of handicrafts.

In order to reach that objective, Swisscontact WISATA has linked institutions such as Sanggar Bliran Sina with other local producers in Flores to share knowledge and experiences in handicraft business through visitation workshops to other local producers, hosting 'Training of Trainers' (ToT) workshops on technical skills and Organisational Management, as well as evaluation and monitoring. In return for these services, Sanggar Bliran Sina can ask small consultation fees from these villages.

7.3.3.   Activity 3.3: Market Linkages

Furthermore, the Swisscontact team looks for service providers such as traders, to work as a mediator between local handicrafts producers and national or international markets of buyers. Hence, the collaboration and knowledge exchange model of the entire SAF is displayed below:
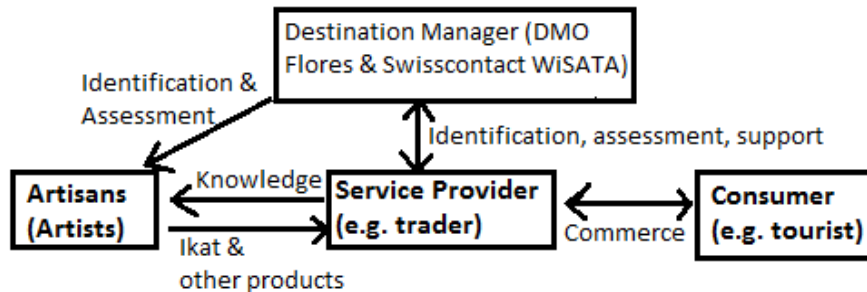
Figure 16: collaboration and knowledge exchange model of WiSATA destination development
Source: Author's Interpretation of (Internship, 2013)

To conclude, when developing CBET through host communities, local businesses and tourist awareness, WiSATA verifies that there are some general positive impacts taking place, including an improved livelihood for local communities. Regarding the flexibility of people and their needs, the objectives and approach of the CBET project have changed during the different phases of the project component, according to different needs for environmental and socio-cultural values in different regions. Keeping a relationship of trust and understanding with the communities and their authorities is an essential aspect of the WiSATA approach. Expectation management helps the project to increase the common understandings with programme recipients.

7.4. SAF 4 – External Destination Marketing (EDM)

Marketing is one of the main functions of the DMO. WiSATA has prepared DMO Flores to handle a scope of marketing activities that are directed at successfully connecting with high-potential markets. The main focus here is on the adaptation to tourism demand by making decisions about market segmentation, branding, and promotion.

Destination Marketing has played a crucial role in establishing Destination Flores. It was first implemented by Swisscontact and has gradually been handed over to the DMO (and partly to the regional TMOs). The destination marketing process encompasses the following components:

1. Marketing strategy
2. Marketing activities
3. Distribution & income generation

7.4.1.   Activity 4.1: Marketing Strategy

DMO Flores's marketing strategy concentrates its limited resources to benefit from its greatest opportunities (Baker, 2008, p. 3), increasing the sales of products and services, and helping to achieve a sustainable competitive advantage. The marketing strategy is considered an important part of Flores's entire tourism destination strategy. WiSATA facilitated DMO Flores to position itself as "explore the extraordinary" through stakeholder workshops and to distinguish client and competitor groups (e.g. culture/nature/adventure/diving/business?) on national and international scale (Internship, 2012-2013).

Within a context of tourist needs and chosen offer, Flores's marketing strategy enables the realisation of competitive advantages through determining Unique Selling Points (USPs) and communication strategies for three stakeholder segments (Table 6), thereby allowing a good positioning of the DMO and a high profile of the destination:

Stakeholder Segment	Communication message
local tourism businesses & providers	"Flores is an authentic, unmanufactured eco-tourism destination, which offers unforgettable experiences in diving, adventure, culture and nature. The DMO is your competent, reliable and neutral partner for information, linkages and communication."
national and international partners (also: international TOs)	"Flores is an authentic, unmanufactured eco-tourism destination, which offers unforgettable experiences in diving, adventure, culture and nature. The DMO is your competent, reliable and neutral partner for information, linkages and communication."
Tourists (domestic & international)	Flores is an authentic, unmanufactured eco-tourism destination, which offers unforgettable experiences in diving, adventure, culture and nature. The TICs are your competent, reliable and neutral places to get information and linkages.

This gives Destination Flores an identity and thereby increases the level of interest in its products and services.

The marketing strategy scores big on the profit side of the sustainability spectrum. Also, it has involved the local people and other stakeholders in many of its marketing strategy pinpoints. Furthermore, it evokes brand imagery to all actors (including tourists) that Flores is natural, eco-friendly, adventurous, unmanufactured destination that is rich in culture. The goal is that tourists and businesses will come to experience or invest in attractions that inspire these qualities; thereby limiting high-impact, cheap, mass tourism (Internship, 2012-2013).

7.4.2. Activity 4.2: Marketing Activities

DMO Flores employs marketing activities to encourage stakeholders to engage (invest/ visit). DMO Flores has invested in a wide range of strategies in this regard.

Brand Manual

WiSATA, and now the DMO, have been very consistent (regarding the principles of 'integrated marketing') in their online and offline marketing for Flores, thereby ensuring that consumers and partners understand the main marketing message. The common design and offline communication files are collected into a 'brand manual', comprising three sections:

- ➢ **Graphic manual**, consisting of a **brand manual** (for logo, slogan, typography, colours, photos) and a **design manual** (business stationery, promotional collateral, new media, and retail products)
- ➢ **Collection of all available templates** to easily reproduce the marketing materials
- ➢ Set of **hardcopies** comprised of all marketing products (except for new media)

These components have been designed and produced by national and international experts that were outsourced or hired by WiSATA. The materials are of high professional quality and evoke 'the Flores Feeling' (Internship, 2012-2013).

Promotion and Information

To promote the destination and make a linkage to national and international markets, DMO Flores employs various communication means:

- Printed promotion materials (e.g. Flyers, Brochures, Catalogues, Posters, Stickers, Banners, Backdrop walls, Airport décors) that not only portray the Flores brand to potential visitors, but also to potential partners and other stakeholders (e.g. B2B).
- Retail Tourism Products for promotional and/or informative purposes as well as raising money: calendars, guide books, travel map, T-shirts, postcards, music CD, etc.

- **Unique Stationery:** e.g. business cards, letterheads, greeting cards, envelopes, CD covers, certificates, vouchers, e-mail signatures, presentations...
- **Website www.florestourism.com** with text, photos, videos, and destination information, with a well thought out lay-out and search engine optimisation
- **Monthly E-Newsletter**, available for download on the website
- **Social media presence** e.g. Facebook, Twitter, TripAdvisor...
- **Public Relations:** advertising, publicity, trade fairs and other events.

Networking

Both internal networks and external networks are catered for:

- **Internal networks** comprise the connected stakeholders on a local and regional scale, and sometimes provincial and national scale. DMO Flores strives to create a group feeling by increasing and maintaining good contacts between stakeholders, creating trust amongst them to cooperate as one destination with benefits for all, including the environment
- **External networks** result in increased knowledge transfers and cooperation agreements that stimulate the local tourism economy (e.g. from tourist increases). Therefore DMO Flores connects internal networks with external stakeholders (on a regional and provincial scale, and mostly) on a national and global scale.

7.4.3. Activity 4.3: Distribution & Income Generation

Since the above-mentioned retail products and marketing tools have the potential to finance the DMO as well as promote the destination and inform stakeholders, together they comprise an important pillar of DMO Flores's business plan. There are two aspects to examine, namely the distribution concept and local Tourism Information Centres (TICs). Since DMO Flores has no large budgets for financing its many activities, it is important to think of how to generate an income for the organisation to carry out its mission.

There are 2 ways through which DMO Flores generates income with its **distribution concept**:

➢ Advertising: by letting others use DMO marketing materials as a promotion channel, through advertisements in its publications for a fee, and by sponsorship of its events.
➢ Sales: by selling retail products with a profit margin, the DMO can fund these marketing products and its own operations. It sells retail products directly and through partners who sell it directly or indirectly to tourists (see examples below).

To reach the defined target groups effectively with the available resources and time, DMO Flores has divided its distribution concept into two interconnected aspects: "how to distribute" the materials and "how to generate income".

Distribution channels of DMO Flores include direct distribution through its own offices as well as through various partners in its network. Table 7 below shows the distribution concept of some DMO Flores retail products:

Table 7: Distribution concept for DMO Flores retail products
Source: Internship (2013)

Product	Local Distribution	Bali Distribution	National Distribution	International Distribution
3 guide books	DMO → TMOs: → to stakeholders in their district (dive & tour operators, hotels, restaurants, attractions, shops) → over the TIC directly Online web shop	Bali-based tour operators selling Flores (direct mailing, calling), focus on existing stakeholder groups Online web shop	Gramedia Times book store Book shop supplier	Amazon Other online book shops? Online Shop on Flores Website

Calendar 2013	DMO → TMOs: → to stakeholders in their district (dive & tour operators, hotels, restaurants, attractions, shops) → over the TIC directly Online web shop	Bali-based tour operators selling Flores (direct mailing, calling), focus on existing stakeholder group Online web shop	Online web shop	Online web shop
T-Shirts	DMO → TMOs: → to the shops in their district → over the TIC directly	Online web shop	Online web shop	Online web shop
Photos	Online web shop	Online web shop	Online web shop	Online web shop

Since a Tourist Information Centre (TIC) is something that tourists tend to check out when they first set foot in a new destination, DMO Flores and WiSATA are setting up such offices in every district around the island, with the help of their local TMOs. These TICs offer more possibilities for distribution channels, as they allow a direct contact between the DMO and tourists who are already at the destination. These TICs are well located and easy to find, offering communication materials produced by the DMO and also those by other stakeholders. TICs are run by the district TMO, and the goal is that they become self-funding, through advertisement space, presence of stakeholder materials in the offices, and margins on retail good sales (e.g. souvenirs).

All in all, the marketing section of DMO Flores is a very business-oriented. Thus it is a profit focused factor that aims to increase the number of tourists coming to Flores, whilst aiming to sustain its own activities in the process. Although there is a lot of attention for and appreciation of the cultural and natural heritage/values of Flores, not much can be said about how these marketing activities would be counted as bearable, that is, with regard for the conservation of its environment (planet) or for the social benefit of its people.

8. Results Analysis

Based on the descriptive analysis of SAF 1-4, each of their activities has been qualitatively assessed by the author. Based on a one-year insider's perspective, their performance against the predefined QACs has been numerically represented in Table 8 (see next page).

Table 8: Qualitative Assessment Matrix of WiSATA sustainable destination development performance results

Strategic Approach Factors ↓		CSF1. People				CSF2. Planet				CSF3. Profit				Av. Sust.
		QAC1.1. Networking	QAC1.2. Response	QAC1.3. Appreciat°	Av. People	QAC2.1. Preventive	QAC2.2. Conservation	QAC2.3. Appreciat°	Av. Planet	QAC3.1. Incentive	QAC3.2. Product	QAC3.3. Market	Av. Profit	
SAF1: Plan & Mon	Act. 1 Assessments	90%	95%	100%	95%	80%	65%	100%	82%	95%	95%	100%	97%	91%
	Act. 2 Act° Research	80%	90%	95%	88%	80%	80%	100%	87%	90%	100%	100%	97%	91%
	Act. 3 Monitoring	90%	100%	100%	97%	90%	85%	80%	85%	100%	90%	100%	97%	93%
	SAF1 Average	87%	95%	98%	**93%**	83%	77%	93%	**84%**	95%	95%	100%	**97%**	91%
SAF 2: DMO	Act. 1: De-centralisation	100%	100%	100%	100%	70%	60%	80%	70%	90%	100%	100%	97%	89%
	Act. 2: Establishment	70%	90%	70%	77%	60%	50%	75%	62%	40%	80%	65%	62%	67%
	Act. 3: Business Plan	70%	70%	70%	70%	70%	60%	80%	70%	90%	100%	100%	97%	79%
	SAF 2 Average	80%	87%	80%	**82%**	63%	57%	70%	**67%**	73%	93%	88%	**85%**	78%
SAF 3: IDD	Act. 1: Partnerships	90%	85%	100%	92%	95%	85%	90%	90%	85%	80%	80%	82%	88%
	Act. 2: Cap. Building	100%	100%	100%	100%	90%	65%	70%	75%	90%	90%	100%	93%	89%
	Act. 3: Mrkt Linkages	100%	90%	100%	97%	60%	60%	80%	67%	100%	100%	100%	**100%**	88%
	SAF 3 Average	97%	92%	100%	**96%**	82%	70%	80%	**77%**	92%	90%	93%	**92%**	88%
SAF 4: EDM	Act. 1: Mrkt Strategies	75%	75%	100%	83%	60%	60%	100%	73%	80%	100%	100%	93%	83%
	Act. 2: Mrkt Activities	55%	75%	100%	77%	70%	50%	100%	73%	90%	100%	100%	97%	82%
	Act. 3: Distr. & Income	80%	50%	80%	70%	70%	40%	90%	67%	70%	90%	90%	83%	73%
	SAF 4 Average	70%	67%	93%	**77%**	67%	50%	97%	**71%**	80%	97%	97%	**91%**	80%
Entire Project		83%	85%	93%	87%	75%	63%	87%	75%	85%	94%	95%	91%	84%

Legend:
- CSF = Critical Success Factor
- QAC = Qualitative Assessment Criteria
- SAF = Strategic Approach Factor

8.1. Average Orientation of SC WiSATA approach

In general, the WiSATA project has a moderately high overall sustainability score, with a calculated total average of **84%** for its estimated degree of sustainability regarding the TBL. We can break this score down per Strategic Approach Factor of the project.

8.1.1. Strategic Approach Factors

The strategic approach factors (SAFs) *Planning*, *DMO*, *IDD*, and *EDM* have obtained average TBL scores of 91%, 78%, 88% and 80% respectively. As their activities have been explained in the previous chapter, let us now remark on their scores.

SAF1. Planning & Monitoring:

The SAF project *planning & monitoring* has the highest average PPP score of all, possibly because research activities associated with planning and monitoring have the highest chances of theoretical success (theory is a controlled environment). Although its CSF *planet* is held in high regard to some extent (84%), this SAF scores even higher for *profit* (97%- the highest average SAF score) and for *people* (93%). This might be explained by the fact that the WiSATA project's organisation, i.e. Swisscontact, is in fact a socio-economic development organisation that specialises in poverty alleviation and community empowerment through M4P. Its planning has therefore been characterised by the character of the development firm. However, with a special project component dedicated to environment and safety, and top scores for appreciation of natural heritage, Flores's biodiversity was not overlooked.

SAF2. DMO: Destination Management Organisation

Under the strategic approach DMO, people (82%) and profit (85%) again score higher than planet (67%). Although the approach has very high standards, SAF2 scored 'only' 80% for the CSF *people*'s QACs *networking* and *appreciation*. This is attributed to a number of stakeholders remaining uncertain about the potential advantages (lacking incentive?) and hence not becoming involved from the start, thereby creating certain issues of jealousy and disagreement with progression of time. Also, although viable in theory, the WiSATA approach has undergone a long process to achieve certain goals in practice, of which some have not yet been achieved. Not every district has a TIC up and running yet, let alone being self-funding. The TMO structures seem rather unstable, as certain district authorities do not wish to cooperate and certain institutions are starting to see the TMOs as competitors rather than as facilitators to their cause. These factors have contributed to the 'lower' score of an average 82% for *people*- a score kept high by the triple 100% invoked by *decentralising* the hegemony through a DMO-TMO structure. The project team is taking all possible measures to set these other things straight, which would considerably up the 'people' score in the near future. Environmental conservation is not a high-priority issue for the DMO though, perhaps due to the issues mentioned above. Along with the scores for *people*, perhaps those of *planet* would go up too in the long-run, once the DMO and TMOs have safely established their presence in Flores.

SAF3. IDD: Internal Destination Development

WiSATA's strategic approach to *IDD* has the overall second-best evaluation of all SAFs, marked especially by high scores on the *people* (96%) and *profit* (92%) pillars. It is clear that the community-based aspect of these tourism activities is highlighted through overall excellent scores on relevant activities in terms of the *people* QACs *networking* (97%), *response* to local needs (92%) and *appreciation* of socio-cultural heritage (100%). Regarding *planet*, WiSATA was assessed highly for the partnership activities (90%), but relative to others, their scores for both other CSFs, capacity building and market achieved only moderate overall scores (77%). This could be translated as IDD activities giving higher priority to developing a socio-economic working structure (for now), and preserving

the ecology and biodiversity of the island would follow once partnerships are functioning more efficiently, and the mediator WiSATA takes on an advisory role. Once again, scores for *planet* are expected to rise in the future.

SAF4. EDM: External Destination Marketing:

Last but not least, the activities that fall under EDM also emphasise a clear strategy toward *profit*-oriented sustainability. The SAF scores exceptionally well on its *profit* CSF on marketing strategies (93%) and marketing activities (97%), but also on its '*appreciation for*' the *socio-cultural* (93%) and *natural* (97%) environments. This can be explained by the high level of professionalism with which the marketing activities were carried out, and the brand it has created for Flores as an 'extraordinary destination' for authentic people, culture, nature and adventure. (Internship, 2012-2013). However, contrary to the appreciation shown for these aspects, people and planet have generally been assessed with medium sustainability, with 77% and 71% respectively. These relatively low scores are a consequence of the relatively minor involvement of and regard for local stakeholders in the marketing activities and income/distribution, for which the project mostly relied on foreign (to the island) experts and professionals, and also because the marketing activities hardly ever placed much importance on protecting/conserving the environment. Some newsletter articles do refer to environmental campaigns and activities, but communicating these messages has not been set as a priority for DMO Flores. However, it must be noted that the effect of these low scores on the general score of the project does not correctly reflect their weight of influence on the practical level of the project sustainability in terms of people or as a whole.

8.2. PPP-based Holistic Conclusions

Under *People* and *Planet*, the QACs '*appreciation for cultural heritage'* and that for '*natural heritage'* almost consistently maintained higher scores (average 93% and 87% respectively) than the other two fields in each CSF (83% & 85% for *people*, and 75% & 63% for *planet*). This can relate to the USPs of Flores tourism being 'adventure', 'nature' and 'culture'- a message conveyed in nearly all levels of the destination's marketing strategy- including its slogan "Explore the Extraordinary (culture, nature, diving)". This relation is made even more evident, when one considers that developing the marketing component was an important priority for the project- marked by a high overall score for market focus of 95% under CSF *profit*.

The average scores of every SAF per CSF are displayed below:

Table 9: Overview of average sustainability levels

SAFs	CSF1: People	CSF2: Planet	CSF3: Profit	Average sustainability
SAF1: Planning & Monitoring	93%	84%	97%	91%
SAF2: DMO	82%	67%	85%	78%
SAF3: IDD	96%	77%	92%	88%
SAF4: EDM	77%	71%	91%	80%
Overall Performance	**87%**	**75%**	**91%**	**84%**

From Table 9 can be derived that **the triple bottom line scores 87%, 75% and 91% on *People*, *Planet* and *Profit* respectively**. As it was discussed under SAF4 (EDM), the *people* score would lie higher if the scores were weighted. Furthermore, the scores for *planet* are promising to increase with time too (see discussion on SAF3).

Remarkably high scores are those for:

➢ Planning and monitoring with CSF *profit*: due to the experience of Swisscontact with economic development of impoverished regions, the theoretical plan and monitoring to accomplish this has been made in a very sustainable manner.

➢ IDD with CSF *people*, whereby the focus on stakeholder involvement and stakeholder needs was very high. Due to the nature of the project, all activities that involve local communities are initiatives from those communities and which are run by those communities. This is what makes CBT and CBET so special.

We can also portray the average orientation of the project (see Table 10 below):

Table 10: Average orientation of the WiSATA project

Condition	CSFs	Value
Bearable	People & Planet	81%
Equitable	People & Profit	89%
Viable	Planet & Profit	83%
Sustainable	**People, Planet & Profit**	**84%**

These results tell us that, besides the efforts placed on developing Flores as a socio- and eco-friendly destination, WiSATA appears to be 8% more (socially and economically) equitable than it is bearable. In other words, WiSATA seems to have prioritised (or accidentally accentuated) the economic sustainability of the destination development project over that of *people* and *planet*. This may well be due to the fact that Swisscontact is a socio-economic development organisation.

Also, there are very few tourism stakeholders in Flores who are actively trying to protect/conserve the natural and socio-cultural environments, as a pose to the majority who are striving for increased business figures. In other words, the efforts for protecting or conserving natural resources are limited in this development project by the priority given (from the stakeholder side) to sustaining (also social, but mostly) economic growth. It is true that, without financial durability of the activities, these could no longer be supported and therefore there would be no point in handing them over the DMO in the first place. The imminent danger is that the DMO represents mainly tourism firms, whose interests might lie in the short-term money-making camp and who therefore do not place any importance on maintaining a sustainable natural environment.

It is up to the DMO to communicate and spread awareness via TMOs and spread awareness amongst its members around the importance of Flores's ecosystems and biodiversity, for both their businesses and their livelihood. However, the 'grounding' of the DMO is still far off, as it has only just been legally established, and it is first focusing on the issues at hand: financial durability (keeping the books balanced) and social sustainability (maintaining good relations with all stakeholders by representing them and working towards their interests). In the meantime, WiSATA is carrying out some awareness and lobbying campaigns around waste management and conservation through the TMO entities.

9. Reflections and Trends

Overall, the WiSATA project has been assessed by the author as moderately to highly sustainable, with a total average normative sustainability of 84%. To what extent can this 'conclusive result' be deemed valid, what does that mean, and what possible future developments can we expect in/around Flores?

9.1. Self-reflection and Limitations of the Research

This work has created qualitative assessment criteria that are based on academic literature to quantitatively examine the case study development project in Flores. The assessment evaluated the strategic approach factors (SAFs) of the WiSATA project and DMO Flores, based on how the author experienced these to be. Inevitably, therefore, there is a certain degree of bias that must be taken into account, derived from the 'conceptual baggage' (Hsiung, 2010) of the author.

9.1.1. About the Research

'Meetings' and 'observations', which were applied most often and which produced the majority of information in this report about the project activity range, are **qualitative research techniques**. This implies that both the researcher (author) and the researched (any situation, group or individual that was observed, interviewed, discussed with...) are jointly involved in knowledge production. The primary research phase was therefore marked by a continuous process of reflection on techniques, methods, results and interpretations. Only when the primary research phase was complete, therefore, did the author come up with a definite research title and research questions that matched the scope of the WiSATA project.

Most time spent during the primary research phase was first and foremost dedicated to the author's **internship agreement** with the Swisscontact WiSATA project. Although this report examines the mentioned project, information was gathered in the first place to fulfil the author's project tasks; hence distracting the focus of primary research from the topic of this work. Although this does not (significantly) reduce the reliability of obtained results with regard to their purpose, some relevant information may have gone unnoticed for the sake of abiding by the (sometimes topic-irrelevant) tasks that were assigned to the author. However, it is safe to assume that the information obtained for this report through internship activities is relevant to this work, as continuous adjustments were made to the dissertation structure, based on inputs from project information.

Indonesia has many sources of information, and not all of them tend to give **consistent and/or correct information**. Therefore, the triangulation method was applied many times to avoid incorrect facts and information being relied upon. Hence, information gained through meetings with industry professionals, staff of Swisscontact WiSATA, focus group discussions (workshop with HJ Meijers, Indonesian academics, experts and professionals) and field visits was always double-checked with official and/or online resources, when possible.

Another limitation regards the linguistic difficulties encountered in Indonesia and in Flores especially. Official government documents that were only available in Indonesian were translated via Google translator, a channel through which some information might have gone lost or mistranslated. Field visits were also affected by this, often not being as productive for information gathering as initially hoped for, due to **language barriers** between the author and the island locals and officials. Often, the author was accompanied by a Swisscontact field officer that could perform translation tasks for the most primary and basic communication. By the time that the author's English message had been translated into official Indonesian and then translated again into the local language, and a response has come back along the same path, messages became distorted and meanings were lost.

Taking into account that there are significant cultural disparities between the 'developed world' and the 'rough' island of Flores, some **cultural barriers** were experienced too. As a Caucasian, non-Indonesian speaker, it was difficult for the author to be received and understood in certain Flores networks and circles. As with the language barrier, this was also usually overcome with the company of Indonesian co-workers. Furthermore, the author adjusted to become as much a part of his cultural surroundings as possible in Flores, by eating local food, dressing appropriately (i.e. 'not like a tourist'), and by engaging in discourse with co-workers and guides to learn about the local culture.

9.1.2. About the Results

The fact that this dissertation has given the project a normative sustainability score (i.e. 84%) does not mean that this is its exact level of sustainability. As the literature study has revealed, 'sustainability' is a term whose meaning is heavily debated upon in many circles. Therefore, if another researcher would perform a parallel research on the same project, he or she might accent certain focus factors; thus acquiring completely different results. For example, if he/she would perform a quantitative research that utilises quantifiable (measurable) project results (e.g. visitor arrivals, evolution of cultural village numbers and natural conservation area sizes), the results and conclusions of that research could be completely different to those in this report.

Certain critical success factors (CSFs) or qualitative assessment criteria (QACs) may or may not be more important to take in regard (and therefore to outweigh others) when assessing certain project components, and therefore the total average score of an approach factor or that of the project as a whole does not necessarily indicate exactly how sustainable it really is.

However, the generalisability of qualitative findings is not a major concern in this research, and the results do generally provide a good indication of the overall sustainability of the tourism destination development project employed by Swisscontact WiSATA. In the end, the author has tried to maintain a holistic approach and consider all factors as being of equal importance. After all, without three pillars, the Triple Bottom Line would not stand (Elkington J. , 1997).

In retrospect, the author has considered whether it would have been a good idea to prepare for the primary research phase by creating a research design beforehand. Although narrowing the research focus would have significantly reduced the intake of unnecessary, off-topic information, it would also have limited the author's openness to new ideas and insights.

9.2. Trends and Developments

Perhaps with the help of WiSATA's approach to destination development, tourism activity in Flores is expanding, and is bound to continue this trend for the coming years. After all, it is an authentic adventure/culture/nature location for tourists and a mostly 'virgin' investment opportunity with high potential for tourism firms in search of new destinations.

There are many contesters to acquire land resources in Flores, now that they are still considered to be 'cheap'. Coming from all sides of the sustainability spectrum, these include individuals, communities, property investors, mining companies and tourism businesses. The DMO must lobby at district, provincial and national government levels to attain favourable and sustainable conditions.

Along with the Indonesian economy, a middle class of its population is growing too, presenting a growing domestic market. If a target market is defined, their needs and expectations can be met in Flores. Also, the proximity of Indonesia to 'developed' target market economies such as Australia and South Korea, as well as its historical colonial ties with the Netherlands, make it an accessible market for international tourists. Now that the prime Indonesian destinations in Bali are rapidly becoming saturated, other islands such as Lombok and Flores are receiving the overflow from international mass tourism there. With the existing snorkel/dive boat tours offered from Lombok,

and an expansion of the international airport in Labuan Bajo, marketing activities have taken a central role in the project, to ensure that tourist arrivals increase over time.

This is also what the national Ministry of Tourism and Creative Economy wants for Flores (MTCE, 2013)- as they believe increased tourism will lead to sustained economic growth (and as a result, 'development') of the region, as it did in Bali. And their projection figures for tourism arrivals in the coming years may well be realistic or even surpassed.

But is that purely a good thing?

Increased tourism arrival statistics come with the risk of transforming certain parts of Flores into mass tourism destinations. Furthermore, Flores is bound to attract MNC attention too. Regardless of regulations, the impact that these money-making firms will have on the natural and socio-cultural environments of the island are bound to be high; especially in a region where political regulatory governance is deemed to lack control and transparency (Internship, 2012-2013).

As Kolk put it, "*attempts to regulate corporate behaviour have not been very viable overall in view of the large variety of issues involved, with most of them being international in nature, and requiring a much wider consensus and harmonisation of rules and implementation mechanisms than politically and technically feasible*" (Kolk, 2010, p. 121).

However, an increasing amount of social pressure is causing them to adjust their products and management strategies conform with the perceived normative goals of sustainability, slowly but surely. As it was stated at the very beginning of this work, MNCs and IB may be the cause of problems, but they can also design the solution.

In order to upkeep the CBET aspects, DMO Flores must work together with all levels of governance and destination stakeholders such as MNCs, associations, MSMEs and communities to create and follow up on regulations and codes of conduct for tourism actors.

Once the DMO has established itself as a recognised and functional tourism body, with TMO branches fully operational in every district, supported by stakeholders and economically viable, the author believes that the focus will be shifted to a balance between *people, planet and profit.*

10.   Personal Note: Conclusion

This report has taken the reader through the evolution of meanings and purposes of sustainable tourism, from an idealist perspective to a marketing strategy to a concept with real potential for making a positive change: CBET. By making connections and giving examples, this dissertation has shown how 'sustainable tourism development' can serve as an 'engine for economic growth' by attracting foreign exchange to a region.

Furthermore, the normative goals of sustainable tourism and its critical success factors (*people, planet and profit*) have been explained, and it has been pointed out that these CSFs can be connected to any economic activity, including tourism, to make it endurable in the long-term. Thereby, the question arose as to which extent sustainable tourism development could be argued as a sustainable development tool to enhance the livelihood of local communities, conserve the environment, and provide economic benefits to the region, 'all-in-one'.

In order to do answer this question, the report has examined a holistic selection of methods, strategies and activities that fall under WiSATA's DMO approach in the CBET development project of Flores Island. These were assessed by means of evaluation criteria that are based on the normative goals of CBET and the CSFs which were derived from these. These research results have pointed out that the SC WiSATA approach has an average normative sustainability of 84%. In terms of people, planet and profit, the WiSATA project performs well, scoring high on all three CSFs of CBET. This means that its methods and strategies are aligned with the normative goals and CSFs of CBET

 With that, the research questions of this document have been answered. But does that imply that WiSATA's approach is sustainable? Or, more specifically, does it imply that tourism development, or simply 'development' for that matter, is ever 'sustainable'?

It is has been pointed out that tourism has the potential to bring economic benefits to a region, which can be reinvested to preserve the socio-cultural environment and to protect natural heritage. Yet, to paraphrase the 1987 Brundtland Report once again, sustainable development is "*development that meets the needs of the present without compromising the ability of future generations to meet their own needs*" (United Nations, 1989, p. 4).

Working on this dissertation has taught me to keep an open mind about how we perceive norms, values, 'truths' and definitions. What I once perceived as 'sustainable development' has been completely turned upside-down. This is because, from a Eurocentric definition, 'developing a region', which is what Swisscontact is doing in Flores, entails "bringing people into the market" (Charles Holliday, 2002, p. 48). In other words, it means facilitating their entrance to a global capitalist system, a connected world of inequality and competition. But is that conforming to the Triple Bottom Line, and is it really what the people of Flores want for themselves? What definition do they give to 'development'; have they ever been asked these questions?

As much as it is done with a 'long-term' vision on preservation of the cultural and natural resources, how sustainable is a project really, when it faces the paradox of having to 'develop' the very elements that it has been dedicated to preserve? Perhaps, the question we must ask ourselves is whether entering the global market-driven economy is really one of "*the needs of the present*" in Flores that must be met, and, even if it were, would meeting this need not "*compromise the ability of future generations to meet their own needs*" in the first place?

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Primary Sources

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See **Appendix 1** – Dated list of Primary Research.

Appendices

Appendices

Appendix 1 - Dated list of Primary Research

Date(s)	Name(s)	Function/department	Location	Topic	Research type (e.g. Observation, interview...)
Jul 2012 - Jun 2013	B. Bodenmueller, D. Suardhani, R. Nuetzi	SC: Project/Office managers	SC Office, Denpasar	Intro: WiSATA Project	Daily meetings, discussions, observations
Aug & Sep 2012	N. Heidenreich, A. Torin,	SC: department Q&S	SC Office, Denpasar	dest. Q&S dev.	Daily meetings, discussions, observations
25-27 Sep 2012	C. Maramis, F. Samosir, B. Hutapea	SC: dest. dev. field officers	SC Office, Denpasar	destination Q&S dev.	Workshop and informal discussions
28 September 2012	K. Krassowska	idGuides CEO & Founder	SC Office, Denpasar	CBET-principle: tour guides	Meeting & semi-structured interview
29 September 2012	A. Lillo	HPI Bali representative & expert	HPI Bali office	Tourism associations in Flores	Meeting & open discussion
October 2012	C. Maramis, F. Samosir, B. Hutapea	SC: dest dev field officers	Bali/Flores	project activities regarding CBET	E-mail correspondence
22&23 Oct 2012	Various experts & professionals, Bali professors	Bali Tourism University; various	SC Office, Denpasar	Toolkits dev. for Q&S	Workshop and informal discussions
24 Oct 2012	HJ Meijers	Thesis supervisor	Denpasar	Q&S insights for CBET	Meeting, brainstorming,
Nov-Dec 2012	L. Koopmans	MDF tourism expert	SC Office, Denpasar	Toolkit creation for Q&S	Meetings & open discussions
28Nov-2Dec 2012	All SC WiSATA Staff		Riung, Flores	practical insights: WiSATA project	Fieldtrip, workshop, informal discussions, observations
15 Dec 2012	E. Bei	Flores Trails TO (professional/expert)	SC Office, Denpasar	Q&S implementation: ASITA	Meeting & open discussion
13 Dec 2012	A. Lillo, A. Torin	HPI Bali & SC safety & environment	SC Office, Denpasar	Field Survey Associations Assessm.	Meeting & Briefing
7-22 Jan 2013	Flores T. Associations & Authorities		Flores, NTT	Field Survey Associations Assessm.	Field Survey on association effectiveness - coordination with A. Torin
28 Jan 2013	A. Lillo, A. Torin	HPI Bali & SC safety & environment	SC Office, Denpasar	Field Survey Associations Assessm.	Meeting & De-briefing
Feb-Mar 2013	All SC WiSATA Staff		SC Office, Denpasar	Sustainable Dest. Dev.	E-mail correspondence, meetings, informal discussions...
15 Mar 2013	A. Torin	SC safety & environment	Maumere, Flores	Intro: Project field activities	Field Visit, informal discussion
16 Mar 2013	A. Torin & J. Eliakim	SC Community Inv. & dev.	Maumere, Flores	CBET: horticulture & handicraft dev.	Field Visit, informal discussion
17 Mar 2013	A. Torin & M. Lopez	Tour Guide	Maumere, Flores	CBET: guide association dev.	Field visit: observations & Informal discussion
18 Mar 2013 AM	C. Maramis	Field Manager East Flores	Maumere, Flores	CBET East Flores	Meeting; semi-interview

18 Mar 2013 PM	D. S. Widodo & J. Eliakim	Field Officers East Flores	Maumere, Flores	CB Objects, horticulture & handicrafts	Meeting; semi-interview
19 Mar 2013 AM	D. S. Widodo & vendors at Ikat Market	Field Officer East Flores	Maumere, Flores	CB Objects & CBET Development	Field Visit to ikat market + informal discussions
19 Mar 2013 PM	C. Maramis	Field Manager East Flores	Maumere, Flores	Local gov't, TMO & tourism planning, DRR	semi-interview & meeting
20 Mar 2013	Watublapi field visit with Widodo & L. Utari	beneficiaries of project	Watublapi, Flores	beneficiary: handicrafts community	field visit: observations & informal discussions
21 Mar 2013 AM	Kelimutu NP field visit with Widodo & Utari	beneficiaries of project	Moni, Flores	beneficiary: National Park (conservation)	field visit: observations & informal discussions
21 Mar 2013 PM	Wajo traditional Village	beneficiaries of project	Nagekeo, Flores	beneficiary: traditional village community	field visit: observations & informal discussions
22 Mar 2013 AM	Tutubhada traditional village	beneficiaries of project	Nagekeo, Flores	beneficiary: traditional village community	field visit: observations & informal discussions
22 Mar 2013 PM	Marapokot beach TMO Ende	Project results	Marapokot, Flores	beneficiary: TMO Ende stakeholders	field visit: observations & informal discussions
23 Mar 2013	B. Hutapea	SC field officer West Flores	Ruteng, Flores	CBET West Flores	Meeting & informal discussion
24 Mar 2013	Pak Blasius	homestay owner near Wae Rebo	Denge, Flores	CBET beneficiaries: Wae Rebo	Field visit: observations & Informal discussion
25 Mar 2013	Wae Rebo traditional village	beneficiaries of project	Wae Rebo, Flores	CBET beneficiaries: Wae Rebo	Field visit: observations & Informal discussion
26 Mar 2013	Denge, Wongka, Dintor villages	neighbouring villages to Wae Rebo	Flores, NTT	CBET beneficiaries: Wae Rebo	Field visit: observations & Informal discussion
28 Mar 2013	A. Firmanto, V. Pane, I. Tulis	SC Staff Labuan Bajo	SC Office, Labuan Bajo	Intro CBET West Flores project	Informal discussions
29 Mar 2013	Visit resort near Labuan Bajo with A. Firmanto		Labuan bajo	Unsustainable tourism development	Field visit: observations & Informal discussion
30 Mar 2013	Cunca Wulang (with V. Pane & A. Firmanto)	SC Staff Labuan Bajo	Cunca Wulang	CBET beneficiary: village near Cunca Wulang	Field visit: observations & informal discussion
31 Mar 2013	I. M. Tulis	Field Officer Waste Management	Labuan Bajo	Destination development in West Flores	Informal discussion
1 Apr 2013	F. Samosir	Office Manager West Flores	SC Office, Labuan Bajo	dest. Dev. & planning, TMO, tourism objects	Meeting & semi-interview
2 Apr 2013 AM	V. Pane	Field Officer Comm'ty involvement	SC Office, Labuan Bajo	comm'ty involvmt: producers	Meeting & semi-interview
2 Apr 2013 PM	A. Firmanto	Field Officer Object Assessment	SC Office, Labuan Bajo	comm'ty involvmt: object assessment & development	Meeting & semi-interview
3 Apr 2013	F. Samosir, A. Firmanto, V. Pane, I. Tulis	SC Staff Labuan Bajo	SC Office, Labuan Bajo	CBET development in Flores	Discussion
23 Apr 2013	A. Lillo	HPI Bali representative & expert	SC Office, Denpasar	RIPPARNAS: Tourism Master Plan for Indonesia	Meeting & discussion

Appendix 1 - Dated list of Primary Research

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25-27 Sep 2012	C. Maramis, F. Samosir, B. Hutapea	SC: dest. dev. field officers	SC Office, Denpasar	destination Q&S dev.	Workshop and informal discussions
28 September 2012	K. Krassowska	idGuides CEO & Founder	SC Office, Denpasar	CBET-principle: tour guides	Meeting & semi-structured interview
29 September 2012	A. Lillo	HPI Bali representative & expert	HPI Bali office	Tourism associations in Flores	Meeting & open discussion
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22&23 Oct 2012	Various experts & professionals, Bali professors	Bali Tourism University; various	SC Office, Denpasar	Toolkits dev. for Q&S	Workshop and informal discussions
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15 Dec 2012	E. Bei	Flores Trails TO (professional/expert)	SC Office, Denpasar	Q&S implementation: ASITA	Meeting & open discussion
13 Dec 2012	A. Lillo, A. Torin	HPI Bali & SC safety & environment	SC Office, Denpasar	Field Survey Associations Assessm.	Meeting & Briefing
7-22 Jan 2013	Flores T. Associations & Authorities		Flores, NTT	Field Survey Associations Assessm.	Field Survey on association effectiveness - coordination with A. Torin
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Feb-Mar 2013	All SC WiSATA Staff		SC Office, Denpasar	Sustainable Dest. Dev.	E-mail correspondence, meetings, informal discussions...
15 Mar 2013	A. Torin	SC safety & environment	Maumere, Flores	Intro: Project field activities	Field Visit, informal discussion
16 Mar 2013	A. Torin & J. Eliakim	SC Community Inv. & dev.	Maumere, Flores	CBET: horticulture & handicraft dev.	Field Visit, informal discussion
17 Mar 2013	A. Torin & M. Lopez	Tour Guide	Maumere, Flores	CBET: guide association dev.	Field visit: observations & Informal discussion
18 Mar 2013 AM	C. Maramis	Field Manager East Flores	Maumere, Flores	CBET East Flores	Meeting; semi-interview

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26 Mar 2013	Denge, Wongka, Dintor villages	neighbouring villages to Wae Rebo	Flores, NTT	CBET beneficiaries: Wae Rebo	Field visit: observations & Informal discussion
28 Mar 2013	A. Firmanto, V. Pane, I. Tulis	SC Staff Labuan Bajo	SC Office, Labuan Bajo	Intro CBET West Flores project	Informal discussions
29 Mar 2013	Visit resort near Labuan Bajo with A. Firmanto		Labuan bajo	Unsustainable tourism development	Field visit: observations & Informal discussion
30 Mar 2013	Cunca Wulang (with V. Pane & A. Firmanto)	SC Staff Labuan Bajo	Cunca Wulang	CBET beneficiary: village near Cunca Wulang	Field visit: observations & informal discussion
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2 Apr 2013 PM	A. Firmanto	Field Officer Object Assessment	SC Office, Labuan Bajo	comm'ty involvmt: object assessment & development	Meeting & semi-interview
3 Apr 2013	F. Samosir, A. Firmanto, V. Pane, I. Tulis	SC Staff Labuan Bajo	SC Office, Labuan Bajo	CBET development in Flores	Discussion
23 Apr 2013	A. Lillo	HPI Bali representative & expert	SC Office, Denpasar	RIPPARNAS: Tourism Master Plan for Indonesia	Meeting & discussion

Appendix 2: WEF Travel and Tourism Competitive Index 2013

Table 1: The Travel & Tourism Competitiveness Index 2013 and 2011 comparison

Country/Economy	2013 Rank/140	2013 Score	2011 Rank/139	Country/Economy	2013 Rank/140	2013 Score	2011 Rank/139
Switzerland	1	5.66	1	Morocco	71	4.03	78
Germany	2	5.39	2	Brunei Darussalam	72	4.01	67
Austria	3	5.39	4	Peru	73	4.00	69
Spain	4	5.38	8	Sri Lanka	74	3.99	81
United Kingdom	5	5.38	7	Macedonia, FYR	75	3.98	76
United States	6	5.32	6	Ukraine	76	3.98	85
France	7	5.31	3	Albania	77	3.97	71
Canada	8	5.28	9	Azerbaijan	78	3.97	83
Sweden	9	5.24	5	Armenia	79	3.96	90
Singapore	10	5.23	10	Vietnam	80	3.95	80
Australia	11	5.17	13	Ecuador	81	3.93	87
New Zealand	12	5.17	19	Philippines	82	3.93	94
Netherlands	13	5.14	14	Trinidad and Tobago	83	3.93	79
Japan	14	5.13	22	Colombia	84	3.90	77
Hong Kong SAR	15	5.11	12	Egypt	85	3.88	75
Iceland	16	5.10	11	Dominican Republic	86	3.88	72
Finland	17	5.10	17	Cape Verde	87	3.87	89
Belgium	18	5.04	23	Kazakhstan	88	3.82	93
Ireland	19	5.01	21	Serbia	89	3.78	82
Portugal	20	5.01	18	Bosnia and Herzegovina	90	3.78	97
Denmark	21	4.98	16	Namibia	91	3.77	84
Norway	22	4.95	20	Gambia, The	92	3.73	92
Luxembourg	23	4.93	15	Honduras	93	3.72	88
Malta	24	4.92	26	Botswana	94	3.71	91
Korea, Rep.	25	4.91	32	Nicaragua	95	3.67	100
Italy	26	4.90	27	Kenya	96	3.66	103
Barbados	27	4.88	28	Guatemala	97	3.65	86
United Arab Emirates	28	4.86	30	Iran, Islamic Rep.	98	3.64	114
Cyprus	29	4.84	24	Mongolia	99	3.63	101
Estonia	30	4.82	25	Suriname	100	3.63	n/a
Czech Republic	31	4.78	31	Kuwait	101	3.61	95
Greece	32	4.75	29	Moldova	102	3.60	99
Taiwan, China	33	4.71	37	Guyana	103	3.60	98
Malaysia	34	4.70	35	El Salvador	104	3.59	96
Croatia	35	4.59	34	Rwanda	105	3.56	102
Slovenia	36	4.58	33	Cambodia	106	3.56	109
Panama	37	4.54	56	Senegal	107	3.49	104
Seychelles	38	4.51	n/a	Zambia	108	3.46	111
Hungary	39	4.51	38	Tanzania	109	3.46	110
Montenegro	40	4.50	36	Bolivia	110	3.46	117
Qatar	41	4.49	42	Kyrgyz Republic	111	3.45	107
Poland	42	4.47	49	Nepal	112	3.42	112
Thailand	43	4.47	41	Venezuela	113	3.41	106
Mexico	44	4.46	43	Tajikistan	114	3.41	118
China	45	4.45	39	Paraguay	115	3.39	123
Turkey	46	4.44	50	Uganda	116	3.39	115
Costa Rica	47	4.44	44	Ghana	117	3.38	108
Latvia	48	4.43	51	Zimbabwe	118	3.33	119
Lithuania	49	4.39	55	Swaziland	119	3.31	116
Bulgaria	50	4.38	48	Ethiopia	120	3.29	122
Brazil	51	4.37	52	Cameroon	121	3.27	126
Puerto Rico	52	4.36	45	Pakistan	122	3.25	125
Israel	53	4.34	46	Bangladesh	123	3.24	129
Slovak Republic	54	4.32	54	Malawi	124	3.22	121
Bahrain	55	4.30	40	Mozambique	125	3.17	128
Chile	56	4.29	57	Côte d'Ivoire	126	3.15	131
Oman	57	4.29	61	Nigeria	127	3.14	130
Mauritius	58	4.28	53	Burkina Faso	128	3.12	132
Uruguay	59	4.23	58	Mali	129	3.11	133
Jordan	60	4.18	64	Benin	130	3.09	120
Argentina	61	4.17	60	Madagascar	131	3.09	127
Saudi Arabia	62	4.17	62	Algeria	132	3.07	113
Russian Federation	63	4.16	59	Yemen	133	2.96	n/a
South Africa	64	4.13	66	Mauritania	134	2.91	136
India	65	4.11	68	Lesotho	135	2.89	135
Georgia	66	4.10	73	Guinea	136	2.88	n/a
Jamaica	67	4.08	65	Sierra Leone	137	2.87	n/a
Romania	68	4.04	63	Burundi	138	2.82	137
Lebanon	69	4.04	70	Chad	139	2.61	139
Indonesia	70	4.03	74	Haiti	140	2.59	n/a

Appendix 3: Indonesia Tourism Performance 2012

INDONESIA TOURISM PERFORMANCE 2012

A. INTERNATIONAL TOURISM

According the recent report published by WEF, Travel and Tourism Competitivenes Index, Indonesia has been judged to rank 70 among 140 countries while in the previous report (2011) Indonesia recieved no 74 out of 139 countries. Indonesia was considered strong in 4 indicators namely Excellent Natural Resources with several World Heritage natural sites and the richness of its fauna as measured by the known species in the country; rich of cultural resources; price competitiveness in the T&T industry because of its competitive hotel prices, low ticket taxes and airport charges, and favorable fuel prices; as well as its national prioritization of Travel & Tourism. There are some points need to be improved particularly infrastructure and environtmental issue.

At the end of 2012, the number of foreign tourists visiting Indonesia reached 8,044 million, with the increase of 5.16% compared to 2011 of 7.65 million arrivals. Foreign tourist 2012 was still dominated by short and medium haul travelers such as from Singapore, Malaysia, Australia, China and Japan. However, Indonesia received major growth of arrivals from China, the Philippines, Malaysia, India and Germany which showing an increase of 25.4%, 10.11%, 9.3%, 7.92% and 7.62% respectively.

Figure 1 shows the number of tourist arrivals from each market and its growth in 2012 compared to 2011.

Fig. 1. INTERNATIONAL TOURIST ARRIVAL BY TARGET MARKET

| No. | TARGET MARKET | YEAR | | (+/-)% |
		2011	2012	
1.	SINGAPORE	1.248.469	1.271.443	1,84 %
2.	MALAYSIA	1.036.947	1.133.430	9,30 %
3.	AUSTRALIA	886.446	909.176	2,56 %
4.	CHINA	493.019	618.223	25,40 %
5.	JAPAN	414.817	445.066	7,29 %
6.	SOUTH KOREA	300.174	303.856	1,23 %
7.	USA	194.337	207.010	6,52 %
8.	ENGLAND	193.880	203.625	5,03 %
9.	FRANCE	170.523	178.888	4,91 %
10.	TAIWAN	202.351	180.642	-10,73 %
11.	INDIA	164.194	177.194	7,92 %
12.	GERMANY	141.605	152.401	7,62 %
13.	NETHERLAND	157.639	147.704	-6,30 %
14.	PHILIPPINES	103.200	113.635	10,11 %
15.	MIDDLE EAST	84.683	87.550	3,38 %
16.	RUSSIA	89.596	94.330	5,28 %
17.	OTHERS	1.169.484	1.168.044	-0,12 %

Source: Ministry of Tourism and Creative Economy, 2013

Figure 2 shows the average expenditure per visit and per day in two consecutive years: 2012 and 2011, as well as the total foreign exchange earning recieved in those years.

Figure 2

Average Expenditure and Foreign Exchange Earnings 2011 – 2012

YEAR	2011	2012	Growth (%)
Tourist Arrivals (Milion)	7.65	8.04	5.16
Average Expenditure per visit (USD)	1,118.26	1,133.81	1.39
Average Expenditure per Day (USD)	142.69	147.22	3.17
Foreign Exchange Earning (Billion USD)	8.55	9.1	6.6

Source : Statistics Indonesia, MTCE, 2013

In terms of economic impact, it is estimated that in 2012, tourism contributed 321.57 IDR Trillion or 3.9% to the National GDP and 8.37 percent or 9.28 million people on the employment. The tourism contribution to the National Economy 2012 compared to 2011 can be seen on figure 3.

Figure 3
Tourism Economic Impact -20112012

No.	Economic Impact	Tourism Sector					National		
		Number			Percentage				
		2011	2012		2011	2012	2011	2012	
1	GDP	296.97	**321.57**	IDR Trillion	4.0	**3.9**	7,427.09	**8,254.48**	IDR Trillion
2	Employment opportunities	8.93	**9.28**	Million people	7.75	**8.37**	109.95	**110.81**	Million people
3	Salaries	96.57	**104.51**	IDR Trillion	4.19	**4.03**	2,307.21	**2,591.80**	IDR Trillion
4	Indirect taxes	10.72	**11.57**	IDR Trillion	3.85	**3.77**	278.28	**307.09**	IDR Trillion

Source:MoTCE 2013, through Tourism Satellite Account 2011 approach

B. DOMESTIC TOURISM

Domestic tourism maintains its significant role in contributing national economy. The number of domestic tourists reached 245 million trips in 2012 or an increase of 3.81% from 236 million trips in previous year. It has generated the total expenditure of 171.50 trillion rupiah or an increase of 9.31% compared to the year 2011 which was about 156.89 trilliun rupiah. It is expected that 2013 will reach 258 millions trips with the total expenditure of 180.6 trillion rupiahs.

C. TARGET 2013

In terms of international arrivals, for the year of 2013, Indonesia targets 9 milliions international tourist arrivals as the optimistic scenario, while the pessimistic scenario of the target is 8.3 million international tourist arrivals. The expected growth will range from 3.18% to 11.9%. Indonesia main target markets remains Singapore, Malaysia, Australia, China and Japan.

Figure 4. **TARGET OF 2013**

No.	MARKETS	TARGET 2013		
		OPTIMISTIC	MODERATE	PESIMISTIC
1	SINGAPORE	1.750.000	1.680.000	1.615.000
2	MALAYSIA	1.400.000	1.340.000	1.290.000
3	AUSTRALIA	1.220.000	1.170.000	1.125.000
4	CHINA	1.000.000	960.000	922.000
5	JAPAN	505.000	485.000	466.000
6	SOUTH KOREA	360.000	345.000	335.000
7	PHILIPPINES	315.000	302.000	295.000
8	TAIWAN	255.000	240.000	233.000
9	USA	225.000	215.000	207.000
10	ENGLAND	220.000	211.000	204.000
11	FRANCE	210.000	201.000	194.000
12	INDIA	200.000	192.000	187.000
13	NETHERLAND	185.000	175.000	170.000
14	MIDDLE EAST	175.000	166.000	162.000
15	GERMANY	165.000	156.000	152.000
16	RUSSIA	110.000	105.000	101.000
	OTHERS	705.000	657.000	642.000
	TOTAL	9.000.000	8.600.000	8.300.000

Source: Ministry Tourism & Creative Economy, Republic of Indonesia

D. POLICY, PROGRAM AND MAJOR EVENTS

The tourism development in Indonesia is not only directed for obtaining economic benefits, but it also contributes for socio cultural aspects of development including to enhance understanding other cultures, sense of belonging, togetherness and unity, and improve sense of people happiness.

Necessary measures taken by the Government for improving both international and domestic tourism, such as:
1. Enhancement of Visa on Arrival facilitation from 36 countries in 2005 to 65 countries since 2010 as well as implementation of Free Visa for Short Visit to 13 countries plus Hongkong SAR and Macau SAR
2. Improvement of air connectivity and infrastructure through the development of airports (North Sumatera, Jakarta, Yogyakarta, Surabaya, and West Nusa Tenggara) and seaports (Bali, West and East Nusa Tenggara)
3. Diversification of thematic (special interest) tourism products including Culture and Heritage, Cruise, Culinary and Shopping, Health and Wellness, as well as MICE.
4. Utilization of marketing branding: "Wonderful Indonesia" meaning wonderful nature, culture, people and culinary.
5. Development of tourism standards both for human resource purposes and for tourism products and industry.
6. Local community empowerment through Destination Management Organization (DMO) in village tourism development.

There are many major events undertaken in 2013 for tourism promotion, including:
1. As Official Country Partner for ITB Berlin

2. APEC Chairmanship and Host
3. Hosting World Toilet Organization Conference
4. Hosting Ministerial WTO Meeting
5. Tour de Singkarak
6. Tourism Indonesia Mart and Expo (TIME)
7. Jakarta International Handicraft Trade Fair
8. Jakarta Marathon 2013
9. Golf Tournaments
10. Sail Indonesia 2013
11. Deep Indonesia 2013

For more detailed events in Indonesia can be seen at www.indonesia.travel

Jakarta, 10 April 2013

Ministry of Tourism and Creative Economy

The Republic of Indonesia

Appendix 4: WiSATA Destination Research

A. Some criteria that were used for the in-depth assessment at the start of WiSATA:

General Characteristics - *General features & level of autonomy (province, districts, national park)* - *Accessibility (flights and other connections to hubs)*	***Tourism Development Potential*** - *Economic factors* - *Social factors* - *Policy factors*
Social Characteristics - *Nature of Networks - Degree and manner of organisation of tourism marketplace* - *Potential for Linkages and providing M4P (SME development, handicraft etc.)* - *Willingness to include community in tourism development (by government / main players)* - *Attitude of community towards tourism development (and desire to engage)*	***Destination Management Organisation (DMO)*** - *Level of implementation of national development program* - *Tourism development plan and budget for destination* - *Congruent development vision among local players*
Available Resources - *Human Resources/Education* - *Food Security/ Diversification* - *Access to Land*	***Tourism Supply (Quality, Stage of Development)*** - *Attractions (Competencies and USPs)* - *Accommodation* - *Domestic transport (bus, boat, etc.)* - *Infrastructure and auxiliary services (roads etc, TOs, F&B, Accommodation...)*
Sustainability – awareness and politics - *Resource protection* - *Environmental protection* - *Culture & heritage protection*	***Provision of Information*** - *Marketing (websites, social media)* - *Information provision at destination*
	Sales potential and market interest - *Strength of domestic (Bali-based) TOs* - *Strength of competition* - *Proximity to similar destinations*
	Statistics - *# Foreign visitors over the past 5 years* - *# Domestic visitors over the past 5 years*
Killing factors - *Political conflicts* - *Human right violations* - *Natural disasters*	***Supporting infrastructure*** - *Healthcare facilities* - *Water & energy supply* - *Solid waste management*

Table A: Framework for in-depth destination assessment
Source: Author's interpretation of findings (Internship, 2012-2013)

B. List of Businesses for Destination Research Analysis:

Restaurants & 'Warungs':

To gain information and feedback on:
- Restaurant development and expectations for the coming years
- Management, marketing and promotion policies
- Staff and employment policies
- Suppliers & Value chain
- Obstacles and difficulties faced
- Association membership (PHRI) & support from local governments
- Comparison with other similar tourism services in the area
- Stakeholder viewpoint on how to improve the tourism destination

Accomodation:

Since 50% of visitor expenditures are on accommodation, and because this service is difficult to walk away from during a tourism visit, it is important that the quality of provided accommodation is suitable enough for tourists. The accommodation analysis aims to gain information on:
- Which facilities and services are offered for accommodation
- Key figures on occupancy rates and the average length of stay
- Management systems used
- Business linkages and business membership organisations
- Marketing and promotion efforts
- Comparison with other similar tourism services in the area
- Membership of associations (PHRI) & rating of government support
- Stakeholder viewpoint on how to improve the tourism destination

Tour Guides:

Tour guides are very interactive with tourists. They can provide information and feedback on:
- How the guiding business is evolving over the (past & future) years
- Required and actual guiding skills and knowledge
- Knowledge on tourist sites: existing and potential new products
- Sources of income (direct/commission/tips...) & value chain creation
- Obstacles faced

- Association membership (HPI) & rating of government support
- Comparison with other similar tourism services in the area
- Stakeholder viewpoint on how to improve the tourism destination

Tour Operators:

Tour operator analyses can be used as a complement to consumer perception research (coming up in the market research) for gaining insight into what visitors are looking for in the destination. TOs only represent their customers, meaning that they do not represent independent travellers. This is important to note for destinations that receive a large proportion of independent and/or adventurous travellers. Objective of the TO analysis is to provide information and feedback on:
- Travel business development over the past two years, and predictions for the upcoming years
- Products and services (prices, sold quantity, office facilities...)
- Tour operator's office management, employment and staff policies
- TO business linkages (tourism value chains)
- Marketing and promotion efforts by the enterprises
- TO activities and quality ratings
- Membership with associations (ASITA) & rating government support
- Ratings & comparison with other similar tourism services in the area
- Stakeholder viewpoint on how to improve the tourism destination

Dive Operators:

The dive operators are assessed according to their certification & quality of their equipment . The survey provided information and feedback on:
- Membership of international dive associations (PADI, SSI...)
- Satisfaction level of services, infrastructure and support
- Products and services offered by dive operators
- Key figures for economic impact (average package prices, number of packages) & business linkages + value chain creation
- Comparison with other similar tourism services in the area
- Stakeholder viewpoint on how to improve the tourism destination

C. SWOT analyses for Flores in 2009

Strengths	*Weaknesses*
• Nature, conservation areas; • International reputation of Komodo Park (UNESCO heritage; new7wonders.com); • International reputation as a diving area due to biodiversity of sea; • Landscape, sunsets; islands, beaches; • Culture, possible insights in livelihoods; • Increasing accessibility by air, sea access; • Expanding accommodation base, improved quality, some ecologically sensitive; • Capacity building realized; • Positive attitude of people; • Dynamic dive operators; • Mainland attractions defined, products developed; • Individual websites;www.floreskomodo.com; • Promotion in Bali, links to Bali tour operators; • Active stakeholders in West Flores Tourism Forum • Shared vision of responsible tourism/ destination;	• Labuan Bajo has little charm; • Solid waste problem; • Lack of retail opportunities; • Low operational efficiency airlines, airport; • Poor local transport & infrastructure (roads, water, electricity, telecommunication, central sewage); • Poor service standards (hotels, restaurants); • Need of HR-development; • Need of socialisation of tourism; • Lack of service motivation; • Limited banking services (credit card spending); • Limited medical services; • Lack of communication, lack of consultation and building of shared vision; • Uncertain status/ reputation Park operator PNK;
Opportunities	*Threats*
• Improved links West Flores – Komodo; • Cross Flores travel, more mainland: increased length of stay; • Port of Labuan Bajo: cruise and yacht tourism; • Commitment of West Flores Tourism Forum; • Priority in district planning – Vice Mayor with understanding; • Tourism as unique option for pro-poor development; • Commitment of tourism school and teachers; • Business opportunities in tourism supply • Tourism related services (agriculture, laundry etc.); • Commitment of local community Roe • Raised quality of life in villages;	• Environmental degradation; • Diving safety (currents, lack of decompression chamber); • Limited carrying capacity Komodo; • EU-airline ban; • Regulations on operating boats: lack of standards, • lack of enforcement & national policy support; • Lack of coherent standards and control in tourism projects; • Lack of good governance; • Lack of emergency preparedness, emergency communication plan; • Malaria and dengue epidemics;

Table C: SWOT East Flores
Source: SECO (2009)

S Strength	Weaknesses W
Nature; Diving (biodiversity of sea); Landscape, sunsets, islands, beaches;	Lack of product development and promotion; No website; confusing material; No vision of destination; Very little understanding of tourism;
Culture (textiles and performances);	
Access to attractions Kelimutu, Larantuka, Ende, others (prehistoric sites etc.);	Poor accommodation options; Poor gastronomy; Poor guides; Poor service standards; Need of HR-development;
Maumere fairly attractive;	
Better airport, night flight possible, new flight from Bali – Labuan Bajo expected;	Lack of direct flights from Bali; Low operational efficiency airlines, airport;
Good roads;	Poor infrastructure (central sewage, electricity); poor road to West Flores;
Swisscontact structure in SME-work, Swisscontact with positive reputation;	Weak tourist stakeholder organisations;
	Limited banking services (credit card processing);
O Opportunities	**Threats T**
Culture, religious tourism (catholic holidays – prehistoric and historic attractions) Port, cruise, yacht tourism (one way along northern shore of Flores);	Security in diving (lack of decompression chamber); EU-airline ban;
Commitment tourism school and teachers ;	Regulations on operating boats etc.: lack of standards, lack of enforcement, lack of national policy support;
Business opportunities in tourism ; handicraft opportunities;	Lack of government control / standards in tourism projects (f.ex. distance hotels – shore);
Swisscontact cooperation with Government;	Lack of emergency preparedness (after Tsunami 1992!);
Tourism as unique option for pro-poor development;	Malaria and dengue endemic;